Indians, Health & Welfare

MR. D. R. P. COATS.
333 KINGSTON CRESCENT.
ST. VITAL, WINNIPEG.
H.S-43- MAN.

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P.A. Godsell

Pages 6592 to 6605

CANADA

Re Canada's treatment of INDIANS.

House of Commons Debates

OFFICIAL REPORT—DAILY EDITION

Harry & Jean. This will interest you. It might be timely to write some more on behalf of our friends the Indians! Writing in a day or two. Very best from us all.

Darby & Amy.

Monday, August 14, 1944

(Index to Daily Edition, January 27–August 14, 1944, will appear in a subsequent issue.)

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HOUSE OF COMMONS

Speaker: The Honourable JAMES ALLISON GLEN

MONDAY, August 14, 1944.

The house met at eleven o'clock.

QUESTIONS PASSED AS ORDERS FOR RETURNS

ADDISON INDUSTRIES LIMITED—"WALKIE TALKIE" RADIO DEVICE

Mr. DIEFENBAKER:

1. When was the audit of Addison Industries Limited, covering the first 776 sets of Walkie Talkie, made (as referred to in return brought down on August 5, 1944)?

2. What are the particulars of the administrative expenses amounting to $34,144, as referred to in the said return?

3. What were the amounts of expenses allowed in the said sum for (a) office salaries, including persons to whom paid and amount paid to each, (b) supplies; (c) legal fees, and to whom paid; (d) audit fees, and to whom paid; (e) travelling expenses, giving particulars?

4. What is the amount of the monthly management fee paid, credited or allowed to the said company, from the beginning of the contract to the 30th of June, 1944?

5. Is the said management fee included in or exclusive of the profits allowed to the said company?

Mr. DIEFENBAKER:

1. What is value of parts going into the production and/or assembly by Addison Industries Limited per unit of each type of Walkie Talkie device?

2. How many employees has the said company?

3. What is the average rate of pay for each employee per day?

4. Are any royalties paid in respect of the said device?

5. Has the said company received any fee for engineering? If so, how much and when?

6. What facilities for development engineering did the said company have when given the first contract?

7. What is the value of all equipment and parts that have been subcontracted to, or sold by, A. Cross and Company Limited, Toronto, to Addison Industries Limited, for use in the assembly or production of Walkie Talkie, in each of the years 1942, 1943 and 1944?

8. What are the names and addresses of the directors of the said A. Cross and Company Limited, Toronto?

Mr. GRAYDON: Does the fact that these two questions have been passed as orders for returns mean that they are apt to be lost sight of until next session, or is it possible to have the returns tabled before we conclude?

Mr. CHEVRIER: I am afraid it will hardly be possible to have them tabled before the session is over. The hon. member for Lake Centre (Mr. Diefenbaker) has asked five questions on this subject. We have answered two or three as quickly as we could, and I am informed that with reference to a part of the first of the two passed as orders for returns to-day we have to send an officer to Toronto to obtain the information, while, with reference to the second, the information required is voluminous and we shall need some time to get the answer.

Mr. GRAYDON: I do not know whether this is possible, but perhaps the information, when the department does obtain it, might be relayed to the hon. member for Lake Centre.

Mr. CHEVRIER: Yes. I shall be glad to see that that is done.

Mr. GRAYDON: May I ask the Secretary of State if he has up-to-date a list of questions which have been passed as orders for returns and the returns to which have not yet been tabled? He did give a list the last week, but seeing that we are near the close of the session I was wondering whether there were many outstanding.

Hon. N. A. McLARTY (Secretary of State): Does my hon. friend wish the number or the actual items outstanding?

Mr. GRAYDON: I do not think I am especially interested in publication of the items themselves, but if my hon. friend, some time before the session closes, could give me a list of those which have not been tabled it would be helpful.

Mr. McLARTY: I shall be glad to do that. There may be some coming in later in the day and if they do, I might ask the consent of the house, to revert to motions in order to table them. The number of returns as of this morning is: 417 ordered, 398 tabled, 19 remaining untabled.

OFFICIAL REPORT

Mr. A. W. NEILL (Comox-Alberni): Mr. Chairman, with the consent of the committee may I rise to a question of privilege to correct an error in *Hansard*. I shall not have an opportunity again. On page 6544 in the 38th line, second column, I said "without the Japs." The printing bureau makes it "with the Japs," a most unhallowed error.

Mr. E. G. HANSELL (Macleod): May I also make a slight correction. At page 6561, about quarter of the way down the first column, the following appears:

> That will be the only issue before the people: whether we are going on toward world status and be one nation within that picture. . . .

That should be world statism.

Mr. WILLIAM BRYCE (Selkirk): May I also ask to make a slight alteration at page 6535. The word "cripples" appears in the second column in the fifth line from the bottom. It should be "rickles."

LABOUR CONDITIONS

MONTREAL TRAMWAYS STRIKE—OPERATIONS RESUMED

On the orders of the day:

Hon. HUMPHREY MITCHELL (Minister of Labour): I am glad to inform the house that street car service has been resumed in the city of Montreal. Information to that effect was given to me early this morning by telephone by the controllers appointed to take charge of the tramways system on behalf of the government. From the leaders of both parties in the dispute, Mr. R. N. Watt, president of the Montreal Tramways Company, and Mr. A. R. Mosher, president of the Canadian Brotherhood of Railway Employees and Other Transport Workers, I have received assurances of full cooperation with the government in the step that has been taken.

KAMSACK CYCLONE DAMAGE

INQUIRY AS TO MEASURES FOR ASSISTANCE

On the orders of the day:

Mr. D. A. McNIVEN (Regina City): The Minister of Finance may have noticed in the press that last Wednesday evening the town of Kamsack in Saskatchewan was visited by a disastrous cyclone which demolished 250 homes and destroyed a large part of the business section of the town, with a result in monetary loss of between $1,000,000 and $1,500,000. First, would the Minister of Finance be good enough to arrange with the wartime prices and trade board for the immediate release of the necessary building material for reconstruction of the homes and business places in that town? Second, would the minister be willing to arrange for the application at once of the new housing act to the town of Kamsack so that funds may be available for reconstruction of that town? Third, would the minister take under consideration such further help as can be given to that town in the affliction which has fallen upon it?

Hon. J. L. ILSLEY (Minister of Finance): I shall see that immediate consideration is given to the hon. gentleman's suggestion. That is about all the assurance I can give at the moment. There is always a question, as the hon. gentleman knows, as to the extent of the dominion's responsibility in these matters, and careful consideration will have to be given to that phase of the situation.

Mr. CASTLEDEN: Since the town is in my constituency, I have been in contact with the officials there and I understand that assistance is being given through provincial headquarters. Has any request come to the minister in regard to this matter?

Mr. ILSLEY: Through the hon. member for Regina City only.

BANK ACT AMENDMENT

CONDITIONS GOVERNING TEN-YEAR EXTENSION OF BANK CHARTERS—CONCURRENCE IN SENATE AMENDMENTS

Hon. J. L. ILSLEY (Minister of Finance) moved the second reading of and concurrence in amendments made by the senate to Bill No. 91, respecting banks and banking.

Mr. GORDON GRAYDON (Leader of the Opposition): May I ask the minister whether the government is satisfied to accept the senate amendments? I know they are not very consequential; they are largely a question of change of date, if my memory serves me correctly.

Mr. ILSLEY: The senate amendments to the Bank Act are acceptable to the government. I believe there is a change of date in the schedule or form of notice which clearly should have been made. It was just overlooked. The other amendment is of little more importance, but it is quite acceptable. It is an amendment to section 92, defining a little more appropriately the court which will have jurisdiction over the claims of depositors. The wording in the section as passed by the House of Commons would have led to some difficulty, and by the consent of everyone concerned the definition has been changed.

Motion agreed to; amendments read the second time and concurred in.

QUEBEC SAVINGS BANKS

EXTENSION OF CHARTERS TO SEPTEMBER 1, 1944—CONCURRENCE IN SENATE AMENDMENTS

Hon. J. L. ILSLEY (Minister of Finance) moved the second reading of and concurrence in amendments made by the senate to Bill No. 131, to amend the Quebec Savings Banks Act.

He said: In this case there is an amendment to a section in the Quebec Savings Banks Act which corresponds to section 92 of the Bank Act. There is the same alteration of wording in respect of jurisdiction of the courts as is found there, and it is quite acceptable. The other amendment is a more substantial one; but it is also acceptable. The amendment to which I have referred extends the list of classes of securities upon which the Quebec Savings Banks may lend up to 100 per cent rather than 120 per cent of the value of the securities. While we proposed 120 per cent on some securities and 100 per cent on others, we are quite agreeable to have the list extended as proposed by the senate to two or three other classes of securities.

Motion agreed to; amendments read the second time and concurred in.

SUPPLY

The house in committee of supply, Mr. Bradette in the chair.

EXTERNAL AFFAIRS

36. Departmental administration, $410,189.

Mr. STIRLING: I want to make an observation or two with regard to the long awaited statement of the Prime Minister that was contained in the Prime Minister's speech of August 4 dealing with the government's policy about the Japanese. At this late date in the session I am not going to expand what I have to say into a speech, but rather to endeavour to put on the record in a few words the reaction that I have to the statement.

I appreciate the fact that the government has definitely stated that it recognizes the Japanese question to be a national one. Whatever individual members of the ministry may have had in mind in the past with regard to it, there is no question that a considerable section of the Canadian public has looked upon this in the past as a provincial matter, as something with which British Columbia should deal. I therefore appreciate the fact that from now on it must be recognized that the dominion government looks upon it as a dominion question. I appreciate also the statement that in the Prime Minister's opinion the view of many in British Columbia that the Japanese should not be allowed to concentrate in that province was a reasonable one. The government's policy has been to endeavour to distribute the Japanese in the other eight provinces of Canada. In that regard I ask him not to forget that at the present time there are sixteen or seventeen thousand of those Japanese within British Columbia and that the smaller number has been distributed in other parts of Canada. Therefore whatever solution is arrived at, if we agree that it is not reasonable that a great majority of these people should still live in British Columbia, something will have to be done with the sixteen or seventeen thousand.

I would also remind the Prime Minister that the figures quoted—on which I cannot be accurate because I do not know exactly how many have been sent out—do not cover the Japanese resident in various parts of southern British Columbia who did not come under the movement of Japanese from the protected area.

I appreciate also the statement that in future there should be no further immigration of Japanese to this country. It stands to reason that if this problem is to receive satisfactory settlement that must be the case. The operative part of this policy is that a quasi-judicial commission is to endeavour to investigate the loyalty of the Japanese now in Canada, and that the policy is to be continued and extended of placing these Japanese in different parts of Canada. What a task the government proposes to give to a quasi-judicial commission to ascertain the loyalty of the Japanese! A great deal will depend on the personnel chosen for that commission. I cannot envy them their task. It would seem to me a most difficult thing to endeavour to ascertain the loyalty of the Japanese. In this morning's paper we have the considered opinion of President Roosevelt with regard to the Japanese as a nation and as a people. We are about to endeavour to ascertain the loyalty of certain thousands of Japanese. It is possible that some of them may help us.

Attention has been already drawn to the Canadian-born Japanese Yamamoto, who was convicted for refusing to obey an order of the selective service officer and who was fined with the alternative of a prison sentence. He took the prison sentence. In the course of the court's proceedings we were told that Yamamoto had written to the Minister of Labour stating that for him to obey such an order would be harmful to Japan, that his sympathies belonged to that country and that furthermore he would do nothing to harm her or assist Canada. If I could believe that the majority of the Japanese would declare themin such fashion I would not look with such

doubt on the success of the endeavour of a commission to decide on the loyalty of the Japanese. I trust that those appointed to the commission will not have the frame of mind which was found in some who in the past have been chosen as advisers by the dominion government, that type of thinking which appeared to result in the view that the opinion of British Columbians on the Japanese question was the result of hysteria, and that they should be smacked and ignored. I trust we have progressed beyond that stage and that the commission to be appointed will be able to work on the information furnished by the mounted police and whatever they may be able to adduce from their interviews with the Japanese.

In 1937 a delegation of Japanese appeared before a committee of this house apropos of the Dominion Elections Act or the Dominion Franchise Act, The attention of one of them —and he, if you please, was a professor of English at Wisconsin university—was directed to this question of dual loyalty, the registration of children born in Canada, who are considered by a very great number of people to be Canadian citizens with no loyalty except to Canada. It was definitely ascertained that in his opinion the idea of registering children born in Canada with the Japanese authorities was not only desirable but convenient. I cannot look upon a child born in any part of Canada, whose birth is registered in the country of his paternal origin, as having loyalty only to Canada. I wonder what the commission would have said of the Japanese envoy who in Washington, in December, 1941, was smiling and hissing at the secretary of state. I wonder if the commission to be set up would have been perfectly sure of his sincerity. I wonder what that commission would say with regard to that man's father and his ancestors, all of whom were steeped in the religion of Japan which has induced that people to believe themselves sent by some god to this earth in order to dominate at least the western part of the world. How is it possible to suppose that people of that nationality can come to another country, Canada, and eschew all those doctrines which they have learned from the cradle? How is it possible to believe that these people can give wholehearted loyalty to this country? I find it very hard to place reliance upon the results of the work of a quasi-judicial commission. It should not be forgotten that these Japanese children who have now grown up and become parents have never entirely divested themselves of their loyalty to their ancestors; and as long as that is the case it seems to me impossible to believe that their loyalty to Canada now is something that can be ascertained by a quasi-judicial commission.

The remainder of the operative part of the policy is that the dissemination of these people throughout the other eight provinces is to be carried forward, and they are to be largely removed from British Columbia. The difficulty there, of course, and it was touched upon by the Prime Minister, is that when all these war restrictions are removed; when we return to a period when the inhabitants of Canada will be able to move about at will, what can be done to prevent these seeded settlers from finding their way back to British Columbia, which province they have favoured hitherto? The climate of British Columbia is always attractive, and they have made their opportunities in that province. This is a country of seasonal occupation, and unquestionably their desire will be to return west of the mountains. Therefore it seems to me improbable that the policy pronounced by the government for dealing with the Japanese question can possibly succeed.

At the peace conference, as the Prime Minister has agreed, it will be possible to make some arrangement with regard to the Japanese in Canada. I am glad he acknowledged also the difficulties in regard to the problem of assimilation. In my opinion these people are not assimilable. Many years ago I saw something of the results of mixed marriages in the near east, and we have all read a great deal with regard to the Eurasian question in India and the countries nearby, in the islands of the Atlantic and the islands of the Pacific, not to be more specific than that. The horrors of the Eurasion question are so great that I would be ready to do well nigh anything to prevent that question getting a start in Canada. These mixed marriages are frowned upon and tabooed by both nations, but that does not prevent them from taking place, or from children being born to them. As a result we see half-breed children being born in Canada who will find little opportunity to work out their lives in this country on an equality with our children. Therefore in my opinion we must do every thing we can to dispose of this Japanese question at the peace conference in a way that will be satisfactory to Canada.

Item agreed to.

Canada's Contribution to Maintenance of External Organizations—

44. Expenses of the League of Nations for 1944, including secretariat, international labour organization and permanent court of international justice, $214,600.

Mr. GRAYDON: We are now entering a period which apparently is regarded by the united nations, and particularly the four great powers, as a time when the creation of a new peace organization is imminent and necessary. That this is contemplated is evidenced by the fact that in Washington during this month there will be a preliminary meeting of the four great powers. In the course of a debate on foreign affairs in the British House of Commons on May 25 the Foreign Secretary had this to say with respect to the proposed peace organization:

I would like to leave with the committee just a few principles on which we suggest this future organization should be based. They are these: First, that the world organization must be designed, in the first instance, to prevent a recurrence of aggression by Germany and Japan and must be fully equipped with forces to meet the purpose.

In other words the organization was to have the strength and power for the purposes for which it was to be established. He continues:

Secondly, that to ensure this there must be close political and military cooperation between the United States, the Soviet Union, the Commonwealth and China—

An hon. Member: And France.

Mr. Eden: —and other powers; thirdly, that the responsibility in any future world organization must be related to power, and consequently the world organization should be constructed, on and around the four great powers I have mentioned, and all other peace-loving states should come in and play their part in the structure; fourthly, that the world organization should be flexible and not rigid, that is to say, that it should grow by practice and not try straight away to work to a fixed and rigid code or rule; and fifthly, that all the powers, great and small, included in the world organization, should strive for economic as well as for political collaboration.

On the basis of these quotations I wish to ask two questions of the Prime Minister: Does this vote No. 44, involving a sum of $214,600 for expenses of the League of Nations, mean we are going to make further contributions to the league? Will the League of Nations be disbanded, allowing this new organization to take its place, or will that new organization in some way work in conjunction with the league? I should like to know what the situation is, because we are here asked to contribute a large sum of money to the expenses of the League of Nations. At the same time I have no doubt in connection with the new organization there will be heavy financial and military obligations. And if my supposition is correct, the new organization for peace as envisaged by the Foreign Secretary will be on a basis entirely different from that of the League of Nations. It is my understanding that it would be built up, not from a great assembly of nations coming together in a time of peace, but rather in a manner which has now been planned, namely that of the four great powers getting together to form a core, to operate as a nucleus for peace, and then as time goes on other nations being permitted to come in as circumstances permit. As I see it, this procedure would mean one of two things: Either the League of Nations will have to be disbanded and this new organization take its place, or the two will have to be fitted together in some manner. It is my understanding that for the time being the league is simply carrying on until the new organization takes its place. There could hardly be room for both. I ask this question because there are many people in Canada who are making the inquiry.

I did not wish to extend the discussion on Saturday evening to any undue length, because I was desirous of giving to the government such measure of cooperation as I could in connection with the length of the session, but I believe I might be permitted now to repeat a question I asked some weeks ago, as to whether the representatives of the United Kingdom would also be in a position to represent the views of the British commonwealth, as well as those of the United Kingdom, at that conference of the four great powers. On the earlier occasion I understood the Prime Minister to say that the British commonwealth as such was not being represented, but that the representation was of the United Kingdom alone.

This brings me to a point discussed in Mr. Eden's statement. In every statement the Foreign Secretary has made concerning a new world organization he has been exceedingly careful, I think, never to use the words "Great Britain" or "the United Kingdom" in connection therewith. Coming on the heels of the statement of the Prime Minister of Great Britain, who spoke about the empire going forward in a firmly knit array, and that the prime ministers of the various parts of the commonwealth had reached what he called a core of agreement at the meeting, it was a normal procedure for the Foreign Secretary then to use words indicating that the four great powers were in cooperation to ensure that there must be close political and military cooperation between the United States, the

Soviet union, the British commonwealth and China. I listened carefully to the Prime Minister's statement made a few days ago, when he referred to the fact that there was agreement and consent, and that there was no difference in the views of the various parts of the commonwealth on matters related to the setting up of a peace organization. At that time the Prime Minister did not indicate however whether the British representatives at the four-nation conference would go there with authority to express the views of the various nations in the commonwealth, and to speak on their behalf in the preliminary discussion.

It may be that when he used the word "British commonwealth" the Foreign Secretary had in mind the fact that the United Kingdom representative would go there, knowing well the views of commonwealth prime ministers, and would act accordingly. I think it is rather important because the whole problem of how Canada shall fit into the new peace structure is involved. It seems to me that Canada has two ways of going into the peace organization. One is through the British commonwealth, as mentioned by the British foreign secretary, whereby we would be one of the great powers, and the other is to go in as one of the smaller nations.

I think the matter must be cleared up. Perhaps there is nothing serious with respect to it, but when the Prime Minister answers me he might indicate just how Canada will eventually come in and what her part will be in the new organization. I am sorry to have asked so many questions at the one time but perhaps the Prime Minister has made a note of them. I will appreciate anything he can say at this time.

Mr. MACKENZIE KING: First of all with regard to the position of the League of Nations and the new world organization that is to be created, obviously none of us know how long the present war is going to last and we do not know how long after the war has concluded it will be before an international organization is set up for the purpose of maintaining peace throughout the world. Until the new organization assumes definite shape it may, I think, be regarded as without question that the League of Nations will continue to function, albeit to a very limited extent. There is no intention that I have learned of in the mind of any one which contemplates the coexistence of two great world organizations; one world organization undoubtedly is all that is expected, but just when the new organization will replace the other I cannot say.

Matters that are being considered at the present time in relation to the world organization do take into consideration the fact that already there is in the League of Nations a model on a certain scale and to a limited degree on which the new organization will be based and possibly in many particulars there will be a strong resemblance between the two. But until the world organization is actually in existence and approved by parliaments that will have to contribute towards its existence, the League of Nations will continue to operate as a world organization.

As to the other question asked by my hon. friend, I have made it clear that the conference which will be held shortly at Washington is a conference on the official level, that is to say, it will be a conference between officials of the four great powers. It is being carried out in accordance with what was set forth in the declaration of Moscow where only the four powers are mentioned, the United Kingdom, the United States, China, and Russia. So far as the pending conference is concerned the British commonwealth as such will not be represented. It is not a conference between ministers but, as I have indicated, between officials for the purpose of working out a plan of organization.

While it is true that the British representatives will be representatives of Great Britain only, I think I have made it clear that they will have in their minds the point of view of the nations of the commonwealth with respect to the questions that will be discussed there. Fortunately these matters were considered fully at the meeting between the prime ministers in London, and there was general agreement with respect to them between the representatives of the nations of the commonwealth, that is to say, the United Kingdom, Canada, Australia, New Zealand and South Africa, with regard to broad essentials of the world organization that is to be brought into being. While it is true that the officials who will meet this month in Washington to discuss the world organization will be representatives only of the United Kingdom, it can be said that they are fully aware of the views of the nations of the commonwealth. I do not know whether there is any more my hon. friend wishes me to say.

Mr. GRAYDON: I fancy the nature of the conference between the officials of the four great powers will be such as not to permit the presence of observers from other parts of the world?

Mr. MACKENZIE KING: That is correct.

Mr. HANSELL: Since the leader of the opposition has raised the question of the League of Nations perhaps being superseded by another organization I should like to ask the Prime Minister if it is his intention to

come to parliament with any commitments that might have to be made to that new organization. I feel keenly about this. Our conception of democracy is that parliament is supreme, but somehow the mechanics of parliament are such that it seems to me that the government is supreme. I in my small way am going to insist that all commitments made by Canada with regard to her place in the post-war world shall be brought first to parliament.

These matters are very serious. It is not just a case of voting a quarter of a million dollars for the League of Nations. That is small stuff as compared to the ramifications and implications involved in Canada's place in the post-war world. Personally I do not think that the Prime Minister or whoever it is that represents Canada at any international conference—perhaps one man with a few aides—should be able to commit the entire nation to anything. We have nine provinces, each one of which is a supreme state within its own rights. I can see difficulty if the government makes any commitments without first laying them before parliament and allowing them to be discussed and our views to be presented. I said the other day that I thought that the leader of every political party in this country should be brought into discussion with the Prime Minister. I would go further and say that I think the premiers of all the provinces should be brought in too. Surely we are not going to commit twelve million loyal Canadians to a policy about which they know very little but which in the end, perhaps generations hence, may wreck our nation as a nation. I just wanted to ask the Prime Minister that one question which I think he is prepared to answer. I hope that he will make it clear that commitments will be made only after parliament at least has had full opportunity to look into the whole matter and have the fullest possible discussion.

Mr. MACKENZIE KING: May I say to my hon. friend that so far as I may have to do with any of these matters the principle of responsible government on which the whole practice of government in Canada is based will not be violated in any particular. That, I think, answers my hon. friend's question. The principle of responsible government takes cognizance of the fact that parliament, being the body which votes the money which it is necessary to have to carry out any proposal, should have the fullest opportunity of considering and discussing all aspects of the matter which may be in issue and give the authority which is necessary before any final action can be taken.

Item agreed to.

473. Representation abroad—including salaries of high commissioners, ministers plenipotentiary, consuls, secretaries and staff, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments—further amount required, $98,500.

Mr. GRAYDON: Will the Prime Minister indicate the changes that have been made during the past year in our representation abroad? From time to time there are elevations in our diplomatic service in other countries, with ministers being raised to the status of ambassadors, and so on. I think the Prime Minister indicated on one occasion that when one nation desires to raise the status of its representative abroad, the other nation reciprocated, but I should like to know what is the underlying principle in these changes. When, for instance, is a nation entitled to an ambassador, and when not? The question is perhaps an elementary one, but perhaps the Prime Minister will be good enough to indicate just what the situation is.

Mr. MACKENZIE KING: In a general way may I say this, that in the beginning of foreign missions or representation abroad concern was primarily for ambassadors. The representative of the sovereign or head of the state in a foreign country was an ambassador. There grew up the custom of having as well ministers to less important countries and on less important missions. As time has gone on, the distinction between the functions of an ambassador and of a minister has practically ceased to exist. An ambassador had certain special rights in the matter of direct approach to the head of the state to which he was accredited, more, I imagine, of a ceremonial nature than anything else, but as I have said the necessity of maintaining the distinction between ambassador and minister has been lessening as the years have gone by. So far as the United States is concerned, which next to the United Kingdom receives perhaps the largest number of representatives from different countries, that country for some little time past has completely done away with that distinction by appointing to other countries on this continent ambassadors only, and it has readily accorded to the representatives of other countries in the United States the status of ambassador rather than that of minister. The United Kingdom in its representation at Washington has not only an ambassador as its chief representative but, particularly during the period of this war, has added to its diplomatic representation several ministers. There are I believe five or six ministers at Washington attached to the United Kingdom embassy in addition to the ambassador. That has made it apparent that the status of ambassador is somewhat higher than that of minister and

that the functions of a minister have come to be slightly different from what they were when a country was represented only by a minister or by an ambassador.

We have felt that Canada certainly should not be the only country on this continent whose sovereign is represented at Washington by a minister when the heads of all the other countries on this continent are represented by ambassadors. That was one of the reasons why the change was made at the time it was made, changing the status of our representative at Washington from that of minister to that of ambassador and the receiving of an ambassador from that country here. Of course the main reason was that we believed that the position of Canada as a nation holding a very high place among the nations of the world was being misunderstood by other nations in that we were represented only by a minister at the great capitals while other countries of lesser power and influence and standing in the world were represented by ambassadors.

In making appointments or in elevating the status of minister to that of ambassador the government proceeded by raising first the status of our representatives in certain nations which were our allies in the present war and were fighting with us, the United States being first, followed by Russia, China, and in South America, Brazil. The next group were from those other countries of the united nations which are immediately associated with us in the war. At the present time, as hon. members know, there are several enemy occupied countries which have their governments in London. Our representation to these allied governments is at present a single mission. Up to the present time, the character of the representation has not been altered, except in the case of Belgium. In the case of Belgium the minister, Baron Silvercruys, who represented that country from the beginning, was, as hon. members are aware, the dean of the diplomatic corps in Ottawa. He has been in the capital continuously, and it was felt that it would be a mark of recognition which we would like to give both to his country and to himself at this time to welcome him here as an ambassador.

What I have said will help to illustrate the necessity for the supplementary estimate we are asking for. It is just possible that the war may be over before the fiscal year is out, in which event we shall seek again to have diplomatic representation in some of the countries at present wholly, or partly, occupied by the enemy. Instead of having in London one representative from Canada to these various countries as a group, we shall be appointing representatives again to the countries themselves—to France, Belgium, the Netherlands and to some other countries in Europe in which up to the present time we have not had any representatives, but which countries have representatives in Canada at the present time.

Mr. GRAYDON: Does our high commissioner in London deal directly with any of these governments in exile? Have not we other representation so far as they are concerned?

Mr. MACKENZIE KING: As a matter of fact, our high commissioner in London has nothing to do with the governments in exile. General George P. Vanier was the minister accredited to these countries, but since he was appointed to Algiers our representative in London has been a chargé d'affaires. Representation as between countries by legations or embassies is entirely in the diplomatic circle. The functions of high commissioners are confined within the circle of the nations of the British commonwealth. We shall require an extra amount to repoen or to open, as the case may be, other legations or embassies if the opportunity should come before the end of the fiscal year, and it is for that purpose that this amount is required.

Mr. GRAYDON: What are the salaries and allowances, and what financial provisions generally are made, for an ambassador or a minister? I have no special object in asking the question. I was simply wondering whether it was on the same basis as cabinet ministers.

Mr. MACKENZIE KING: With reference to our representation abroad, I did when speaking a little earlier in the debate mention the appointment that had been made and my hon. friend will find the answer to his question in that regard at page 6054 of *Hansard* of August 4.

Mr. GRAYDON: I may have been out of the chamber at that moment.

Mr. MACKENZIE KING: The salary that is given a minister abroad is $10,000 with appropriate representation allowances to cover cost of residence, car and matters of that kind, varying somewhat in these last particulars as between different countries.

Mr. BOUCHER: Can I take it that generally speaking it is the policy of the government not to appoint ministers but ambassadors except on such occasions as other countries may require the appointment of a minister instead of an ambassador?

Mr. MACKENZIE KING: I think my hon. friend is right in assuming that. There might be an exception in the case of some small countries.

Mr. GRAYDON: With reference to Canadian representation abroad, and particularly with relation to Canada's trade, I do not know whether the Prime Minister or the government noticed a rather compelling editorial which appeared on July 29, 1944, in the *Financial Post*. I do not wish to read the editorial in full but it struck me as bringing to light an important matter. It inquired whether Canada's foreign trade machinery was ready in view of the uncertainty as to the closing of hostilities and the necessity for making arrangements for the post-war period, which considerations apparently prompted the article in question. The editorial says in part:

> But what about that most important supplementary instrument of foreign trade—the Canadian government representation abroad—diplomatic and commercial? Is it ready? Has it the management, the staffing, the inspiration necessary to help Canadian business men raise our foreign trade to new high levels?

One sentence struck me as specially worthy of comment and one that should be brought to the attention of the committee and of the Prime Minister. It reads:

> Canada's future depends on foreign trade. In the modern world trade and diplomacy are interdependent. The modern Canadian diplomat is no more only a tea-party lion than the modern trade commissioner is only a ringer of doorbells of prospective customers for Canada. It is high time that this critical issue of the organization of our foreign representation was taken up at once at a high government level.

I apologize for transgressing the rules in order to put that on the record, but it is a matter which I thought had an important bearing on the situation, and was stated more clearly than I might state it at the moment. That raises the question as to whether or not there should be a complete reorganization in the days to come of the whole matter of external affairs and trade and commerce because of the inter-relation of the two in our dealings with foreign countries. The Prime Minister mentioned some time ago that as time went on it would be necessary to divorce the Department of External Affairs from the office of Prime Minister. In making that move did he have in mind a complete reorganization which would carry with it a department in which the whole representation of Canada would be included—in other words, that it would not be simply a matter of handling the diplomatic affairs of this country, political and otherwise, but one that would have to do with the equally important, perhaps the more important, problem of international trade itself.

We are now utilizing two distinct channels of representation abroad, one through the Department of Trade and Commerce and the other through the Department of External Affairs. Would the Prime Minister care to comment upon this, and indicate whether it would be possible from the standpoint of efficiency and ordinary diplomatic common sense to have the representation of Canada channelled through a larger and more comprehensive department where the services of all who represent this country overseas, in all foreign lands, would be utilized to the best possible advantage both as to external affairs and international politics and in the obtaining of a much larger share of international trade for this country?

Mr. MACKENZIE KING: The matter that my hon. friend has brought up is one that is of importance and I am glad that he has raised the question. May I say first of all that what Canada should do will have to be considered in relation to what other countries actually do in the matter of their diplomatic and trade relations. My hon. friend has asked if we could not in reorganizing bring together under one department of government all those branches of administration that relate to foreign affairs or external affairs, in particular diplomatic relationships and the commercial relationships of the Department of Trade and Commerce. I do not think that that would be possible, for a very obvious reason. The diplomatic representation under external affairs has to do with representation between governments, representation of the head of the state. All appointments from external affairs are to governments of other countries. They are not to commercial institutions or business agencies or private organizations or bodies, but to the heads of the governments of the different countries. I imagine that all countries will find it necessary to have a special representative of their governments as distinct from the business interests. In the Department of Trade and Commerce the commercial agents are representatives in the nature of agents for the promotion of trade, and as such their contacts are primarily with the great business concerns in the countries to which they are sent, through individuals as well as organizations. It would not, so far as I can see at the moment, do to have those officials of the government, whose principal business is that of promoting trade, given the same status and position as the representatives of the government whose concern is with larger questions of policy that involve a consideration

of many things that lie altogether outside of trade. Government policy has to take account of all aspects of governmental relations that have a bearing on an immediate subject. At the same time there is every reason why these two departments of government should have their functions interrelated in a manner that will further the interest of both. That matter has received careful study by our officials over a considerable period of time. Anticipating a possible question on the matter I am prepared to give the committee a clearer and very full explanation.

War conditions, and the need to meet post-war conditions in the field of international trade have made it necessary to reexamine the relations between the Canadian offices established abroad by the Department of External Affairs and the commercial intelligence service of the Department of Trade and Commerce.

The government, more than a year ago, established a special committee from the two departments to study the question and to submit recommendations designed to promote closer cooperation between the services. This committee made a report, after studying the experiences of the governments of the other members of the British commonwealth and of the United States of America, as well as programmes for reforms which are being considered abroad. As a result of the information thus brought to the attention of the government, a special administrative committee has been set up, including three representatives from the Department of External Affairs and three from the Department of Trade and Commerce, with the deputy heads of the two departments as additional ex officio members. The special committee is charged with responsibility for working out practical measures for cooperation between the two services. The effect of these plans so far as they have been developed should be clearly understood. They provide for the coordination of Canada's diplomatic and trade promotion services abroad —not for the merging of these two services into one. It goes without saying that there must be, both in Canada and abroad, the closest cooperation between the official representation maintained by the Department of External Affairs and the trade commissioner service. We are retaining the trade commissioner service as a specialized trade promotion organization under the full control of the Minister of Trade and Commerce, and with such closer association of this service with the diplomatic service as will tend to strengthen both. Announcement has been made in the speech from the throne in regard to the strengthening of the trade commissioner service. It is generally agreed that strong reinforcement of this service will be required in the next few years. In fact it is not going too far to say that in the post-war period it will be essential for Canada to have the strongest department of trade and commerce we have ever had. The plans which the Minister of Trade and Commerce has now in hand for strengthening both the trade commissioner service abroad and the departmental organization at Ottawa are, accordingly, being advanced as rapidly as possible.

The types of problems, which emerge and are being dealt with by the interdepartmental committee, vary in different parts of the world. We may have a high commissioner and trade commissioner's offices in the same country. In some cases the trade commissioner's offices may be situated in the capital and may occupy the same premises as the high commissioner's office. In others, they may be separated. In other countries there may be a Canadian embassy or legation, with trade commissioner's offices either in the same place or in commercial centres in other parts of the country. In other places there may be Canadian consular offices established or under consideration. Where the offices are in different places, arrangements are made for periodic meetings. Where offices of the two departments are in the same place, every effort is being made to bring them under the same roof and to provide for close association in the work in which they are engaged. The committee is concerned with working out the instructions, which are issued to the heads of missions by the Secretary of State for External Affairs, and to the trade commissioner's offices by the Minister of Trade and Commerce. These are designed to avoid overlapping and to promote consultation and cooperation. It is not possible to draw a hard and fast line between the work of the commercial intelligence service and the work of the Canadian diplomatic service. Both services gain where there are frequent consultations and where there is close cooperation in dealing with practical problems.

At the same time, the departments are working together in recruiting personnel from our armed forces. There are many young Canadians, in the navy, army and air force, who, by education, experience and ability, are well suited for the work of these two departments. Some of them would be immediately available upon discharge, and others will require additional education under the arrangements for rehabilitation and reeducation which have been established by the Department of Pensions and National Health. It is expected that the expanding needs of the commercial intelligence service and of the external affairs service will be largely met by personnel

obtained under this common recruiting policy.

As the young men come into the services, their work is being planned in such a manner, through interchange of personnel, as to ensure that they will have experience on both the diplomatic and the commercial intelligence side, and it is hoped that in the course of time there will be a large number of persons in both services suitable for senior posts for the diplomatic, consular and commercial services.

The development of a consular service and its special relationship with the commercial intelligence service will be a matter to be worked out carefully during the ensuing years. A consulate general has been established in New York and the arrangements there are working in a satisfactory manner. The office of the consulate general embraces the trade commissioner's office and the consular service proper. The trade commissioners in the office have been given consular rank and perform consular functions in addition to their usual duties. It is expected that the experience gained in New York will be of value, in the event that it is decided to open up consular offices at other points. Further, the experience which is being gained by the personnel of both departments under the arrangement for close cooperation, which has been in effect for some time, will mean that there will be a substantial number of personnel in the two departments sufficiently familiar with both commercial intelligence and consular work to facilitate the organization and establishment of other consulates.

I think my hon. friend will see that the government has seen very clearly what he has in mind and has left no stone unturned.

While I am speaking on Canada's relation with other countries there is one other matter that I would like to mention. Hon. members have no doubt seen items in the press concerning the arrival of Brazilian troops in Italy to join in the fight against the enemy. We in Canada, who have our own men fighting there, are proud to be able to welcome these soldiers from the south to the great battle that is being steadily and successfully fought. Our common participation in the war will do much to draw our two countries together, and our men, fighting side by side, will render firm and lasting the sense of comradeship between our peoples.

Mr. GRAYDON: I should like to join with the Prime Minister in the sentiments he has just expressed with respect to our South American friends.

I should like to conclude this discussion, having in mind what the Prime Minister has said with reference to the integration of our foreign representation, by quoting one sentence from the editorial in the *Financial Post* which I think bears upon what the Prime Minister has said:

> Complete integration of our foreign representation seems logical and indicated by modern need. A department headed by two deputy ministers, one on the trade job, the other on diplomatics, seems a realistic approach.

I leave that thought with the Prime Minister.

Mr. MACKENZIE KING: I have already dealt with that in my remarks.

Mr. KNOWLES: I wonder if the Prime Minister would explain one point in connection with our representation abroad. The details of the main item would indicate that the cost of representation abroad has gone up in every country but one, that exception being Russia, in which case I notice a decrease of nearly $40,000. Our representation with the Soviet Union, both diplomatic and commercial, is of considerable importance. Will the Prime Minister explain this decrease?

Mr. MACKENZIE KING: My impression is that some of the expenditures in connection with our representation in Russia have come out of the war appropriation; I believe some word to that effect was given at the time that matter was under consideration.

Mr. CASTLEDEN: I should like the Prime Minister's assurance that there is no decrease in the actual expenditure there.

Mr. MACKENZIE KING: I wish it were possible to even think of such a thing, but our expenses in connection with all these legations in foreign countries are very hard to keep down. I think my hon. friend may rest assured that there will be no decrease; I only hope we may be able to keep the increase within bounds.

Item agreed to.

International joint commission—

474. To provide for preliminary studies and surveys of the Columbia river watershed, $50,000.

Mr. MacKINNON (Kootenay East): Since the source of the Columbia and the first two hundred miles of its length are in East Kootenay, and a considerable portion of the remainder of the Canadian part of the river is in West Kootenay, I wonder if the Prime Minister could give us a little more detailed information with regard to these preliminary studies and surveys in connection with the Columbia river watershed.

Mr. MACKENZIE KING: This is a joint undertaking between the government of the

United States and ourselves. It relates to matters of irrigation, the distribution of power and other problems as between the two countries, each having an interest in the protection of what lies within its own territory as well as what lies within the territory of the other. I am just reminded that on March 9 I gave the house a full and detailed explanation of the nature of the investigations being carried on, and I think my hon. friend will get in that statement the particulars he is anxious to have.

Item agreed to.

Governor General and Lieutenant-Governors—

85. Office of the secretary to the governor general, including allowance of $2,500 per annum to the secretary to the governor general, $102,723.

Mr. GRAYDON: May I ask when the term of office of the present governor general expires?

Mr. MACKENZIE KING: I believe it expires in May or June of next year.

Mr. GRAYDON: The hon. member for Broadview made a suggestion in regard to the recommendation of a successor to the present governor general, making reference to one of our outstanding military men. If the recommendation is in the hands of this government I believe some consideration ought to be given the suggestion advanced at that time, at least in regard to the classification from which the hon. member chose one gentleman.

Mr. MACKENZIE KING: Naturally the government will be pleased to consider any suggestions that may be made. The recommendation does lie with the government that may be in office at the time the appointment is to be made. I should just like to add that I believe we have been particularly fortunate in the representation we have had in the person of His Excellency the Earl of Athlone.

Mr. GRAYDON: I think it would be a very appropriate step, and one that would meet the wishes and views of the people of Canada, if when a successor is to be chosen to the present governor general someone with a signal record of war service, coupled with the other necessary qualifications, should receive the post.

Mr. MACKENZIE KING: The question as to whether in the appointment of a governor general its choice should lie between a representative with wide experience in civil affairs and one with great experience in military affairs has been the subject of much debate in the past, and will have to be considered in the future. Fortunately these are not necessary alternatives.

Mr. GRAYDON: Of course there would not be much objection to reappointing the present governor general.

Mr. CASTLEDEN: Do we make any grant in connection with the housing and living expenses of the lieutenant-governors?

Mr. MACKENZIE KING: There is a statutory amount for the salaries of the lieutenant-governors. The provinces make the necessary provision for the maintenance of government houses.

Mr. CASTLEDEN: That is being done in all cases, is it?

Mr. MACKENZIE KING: Yes.

Item agreed to.

NATIONAL HEALTH AND WELFARE

511. Departmental administration, including expenses incidental to organization, $1,000,000.

Mr. MACKENZIE KING: It has not been possible to make any realistic estimate of what may be involved in the establishment of this new department. I have had the matter taken up with the officials of the Department of Finance and those who have had experience in making estimates of the kind, and they have suggested that this amount should be placed in the estimates. Of course, a full accounting will have to be made to parliament in connection with any expenditures.

Mr. GRAYDON: It seems like a great deal of money for the initial setting up of a department.

Mr. MACKENZIE KING: Yes, it is.

Mr. CASTLEDEN: Could we have any further break-down of this amount?

Mr. MACKENZIE KING: I have just said that in establishing a new department it is impossible to say what the expenses are likely to be. This is a round sum that it is hoped will not be too small; but certainly it appears to me, as it does to the leader of the opposition, to be pretty large. However, it is the figure that has been suggested by experienced officials, without any suggestion from the government itself other than the provisions of the act which was placed before them for consideration.

Mr. CASTLEDEN: Is a similar amount provided for the Department of Veterans' Affairs?

Mr. MACKENZIE KING: No; that has been covered in the main by what has already been voted for pensions and national health, which amounts will be transferred to the new department.

Item 567 deals with the establishment of the Department of Reconstruction, providing $1,500,000 for departmental administration, including expenses incidental to organization.

Item agreed to.

DEPARTMENT OF MINES AND RESOURCES

125. Mineral resources investigations, $426,170.

Mr. HANSELL: I believe it is recognized throughout the coal mining industry, and in other industries related to coal mining, that Canada has not yet arrived at a point where she has a satisfactory fuel policy. It is strange that although we have been living in Canada under constitutional government for so many years and with vast quantities of coal deposits, we have not been able to present to our people an adequate and proper fuel policy. Some months ago the Minister of Munitions and Supply announced that the government was in process of setting up a royal commission to investigate coal mining, particularly in its relationship to the post-war world. I find that there have already been set up in Canada eight distinct coal commissions, and in addition there have been set up five industrial disputes inquiries. In addition there have been forty-four boards of conciliation and investigation in respect of the industry. Putting these together it will be agreed that this industry has at least been looked into. I am not opposing the setting up of another coal commission, but I do oppose the setting up at tremendous cost of commissions whose reports are laid on the table and then filed, with no benefit to anyone except that which may be derived by the mice from chewing on them.

Repeatedly since coming to parliament I have noticed that commissions have been set up, and that the results have been as I have indicated. Some years ago an unemployment commission was established. It went to a tremendous amount of trouble and expense, but I have failed to see where parliament or the government brought down one bit of legislation as a consequence of its deliberations. Another commission investigated the wheat problem, and in doing so travelled across Canada, involving considerable trouble and expense. That report was laid on the table, but nothing flowed from it.

Evidently there must be some difficulty in the setting up of this commission, because months have passed since the original announcement was made. No final announcement has been made concerning the meetings of the commission. Perhaps we will not have an opportunity to discuss this subject again until the next session of parliament; therefore I take this opportunity in the dying hours of this session to point out that if the commission is to do its work, and if any benefits are to flow from it, its report must be studied and acted upon. It will have to go into every detail of the coal-mining industry involving, as I see it, three distinct investigations. The commission will have to review the subject of markets—because if we do not have markets for our coal, the coal-mining industry cannot function, men will be laid off, and so on. That follows naturally. The commission will have to decide as to where permanent markets can be obtained. As I have looked into this matter for years I have been convinced that the market right at our door, our own Canadian market, is not being supplied with Canadian coal, and has not been for years. We realize of course that the war has made some difference in that condition. The commission must recognize that if the coal-mining industry is to be kept going we must have a market for our coal.

The second point is that the coal-mining industry must be kept solvent. My experience, which has involved my talking with coal-mining operators and interested individuals, has led me to note that financially the coal-mining industry of Canada is on the verge of folding up. A business should be able to realize at least a certain percentage on its investment. I am not free to say what the interest on coal-mining investments may be, but if it were known it would surprise many people in Canada. Therefore I say the commission should investigate whether or not the industry can remain solvent. If it were to fold up, an unemployment problem would develop in respect of coal miners.

We have talked about markets, and about keeping the industry solvent. A complaint came to me the other day which I would ask the minister to consider. Perhaps the responsibility would be that of the Minister of Munitions and Supply. There have not been railway cars available to transport the coal from the mines. I do not know how long this situation has existed, but I do know that in my particular area certain coal mines have had to close down in time of war. It is a rather strange thing that in time of war, when there is a national coal emergency, mines have to close down because they cannot get the railway equipment to haul their coal. I want the minister to find out just what is the trouble.

If the commission is to do its work properly it must discover where we can find adequate markets for our coal in order to keep the coal mining industry going. It must pay special attention to the interests of the coal miner. The coal miner must be kept employed, and at fair and agreeable wages. Not long ago there was a strike, and the commissioner appointed to look into the matter discovered that the coal industry could not afford to pay the miner what he was asking for. The commission agreed that the coal miners should have an increase, but it was passed on to the consumer. Perhaps that was the proper course to take, but I am contending that the commission should look into the problems facing the coal miner so that he may be kept regularly at work at fair and agreeable wages.

There is one other observation I should like to make. I would suggest to the labour organizations that they either have in their organizations or have access to the services of qualified actuaries and chartered accountants in order that they may examine the books of the industry in which they are employed. Because the manager of a corporation is able to get a new model car every year and is able to smoke big cigars the impression is that the company is making a mint of money. They may or may not be, and I suggest it would be beneficial to industry as well as to the labour organizations if management and labour could get together so that labour might have access to the books in order to see what profit is accruing to the company, what percentage is being made on the investment, and whether a raise in pay to the men would permit the company to remain solvent. Sometimes these corporations operate on a thin margin, and a decrease of a few cents in the price of coal may mean the difference between solvency and insolvency. I believe that many misunderstandings could be ironed out if this arrangement could be brought about.

That is all I am going to say on this item because I know we want to get through with the session. The royal commission should be directed to look into these aspects of the coal mining industry, paying special attention to the requirements of the coal miner as well to the solvency of the coal mining industry, so that we shall not have a repetition of what happened a few years ago, when the coal mining industry was operating only one, two or three days a week or sometimes not at all, and coal miners, who are qualified workmen, were on relief. Would the minister look into the matter of the supply of railway cars and see what the hold-up is? I have the promise of the Minister of Labour that there will be a representative of the miners on this coal commission. That promise will be found in *Hansard,* and I am going to ask that it be fulfilled.

Mr. CRERAR: My hon. friend has made several constructive suggestions which will be considered carefully. There are only two points which he has raised upon which I think I should comment. The first was in regard to the appointment of a royal commission to inquire into the production and marketing of coal in Canada, especially as the situation may arise after the war. Without doubt the war has created many disturbances economically as well as in other directions. It has already been announced as a matter of government policy that this commission will be appointed. I dare say there are some members who think that it should have been appointed ere this, and with that criticism I would not find a great deal of fault. However, the last few months, and particularly the last three or four weeks, have been very strenuous and the government feels that too much care cannot be given to considering the terms of reference to the commission as well as the personnel of the commission itself.

Mr. HANSELL: I am not criticizing the delay.

Mr. CRERAR: Now that we are close to the end of the session, this matter will be receiving the consideration of the government. Several weeks ago a large delegation from Nova Scotia headed by the minister of mines of that province and containing representatives of both the operators and the miners waited upon a committee of the cabinet and made certain constructive suggestions regarding the problem as it appears in the maritime provinces. They also emphasized the importance of having the terms of reference to the commission properly drawn. They were asked to get together and offer their suggestions as to the terms of reference, and I may say that these were received only, as I recall it, on the fifth of August. I am not criticizing the delegation at all for the delay because I do think that they gave very careful consideration to the matter. Their recommendations will have the careful consideration of the government when it is drafting the terms of reference.

In regard to the criticism of my hon. friend over the lack of railway cars for the transportation of coal at the present time, personally I have no knowledge of that. I presume that he has reference particularly to western Canada. This matter of course is under the direction of the Minister of Munitions and

Supply. I shall be very glad to draw to his attention the remarks of my hon. friend, and if there is a substantial foundation for his complaint I have no doubt that it will be remedied.

At the present time the government is spending a substantial sum of money in urging people everywhere throughout Canada to lay in their supplies of fuel for next winter. It is not always easy to get people to do that. A certain number of people are careful and think ahead and many of them without any prompting at all lay in their supplies of fuel, but there are others who do not. It is common knowledge that last autumn or even as far back as a year ago we were conscious of the possibility of a very difficult situation arising in the supply of fuel. Fortunately in western Canada we had an exceptionally mild winter, but we have no guarantee that we will have the same kind of winter this year, and so we are taking all steps possible to urge people to lay in their stock of coal well ahead of the coming of winter. It may be, although I have no knowledge of this, that for the time being the stock piles of coal in the hands of dealers are pretty substantial and that the coal is not moving from the dealers to the consumers as rapidly as it should. At any rate I will bring the point raised by my hon. friend to the attention of the Minister of Munitions and Supply.

Mr. GILLIS: I have no intention of going into all the ramifications of the coal industry because I think my opinions are pretty well known already to the house. I appreciate what the minister says as to this matter not properly coming under his department at the present time.

Reference to the delegation has been made, and I merely wish to say that I attended that meeting with the delegation, headed by the minister of mines for the province of Nova Scotia, and among the other representatives were members of the local assembly representing different political parties, and a citizens' delegation. For Nova Scotia the problem is an extremely serious one, because the coal mining industry is the basic industry of that province. The prosperity of the whole province is predicated upon the prosperity of the coal mining industry. If it does not prosper, the whole province suffers. I notice that in the estimates of the Department of Munitions and Supply the minister is budgeting for approximately $4,500,000 for subventions. That is fine, if and when we have the coal to ship into the Ontario and Quebec markets. But to secure those markets is going to be a very difficult matter.

Mr. MacNICOL: We will help you in Ontario.

Mr. BOUCHER: Ontario does the best for you.

Mr. GILLIS: I hope so, but you may not have much to say about it, because it is a matter for the federal government. When the Americans get their feet into a market it is a question whether you can ever get that market back. We lost the Quebec market in the last war, and it took us ten years to buy it back—and I say "buy it back" advisedly. The whole province of Nova Scotia suffered as a result. Getting our coal into the Ontario market was also a very difficult proposition. It required substantial subsidies to the railways to put the coal in there. Now that market has gone. But I am not going to go into all these things.

I merely wanted to say to the minister that one of the most important matters to the province of Nova Scotia at the present time is the appointment of this royal commission, and unless the terms of reference to that commission are all-inclusive its appointment will be just a waste of time and a repetition of previous commissions' reports. The personnel of the commission is very important. You must have men who understand the industry, and understand the marketing of coal. Otherwise the evidence presented to the commission will be wasted because they will not realize its importance. I believe that the government is giving careful consideration to the personnel of the commission. It should not be so difficult. I could stand up and offhand, without any reference to papers, recommend a personnel that I know would be fair to all concerned and have due regard to the best interests of the men. It may be hard, of course, to get men who will suit the operators. But so far as the men are concerned, the miners' union in Nova Scotia has nothing to hide. They are interested in this commission and in its final recommendations from the standpoint of the best interests of the industry in Nova Scotia as it pertains to the economy of that whole province.

Personnel is important. But perhaps equally important are the terms of reference. If the terms of reference are not adequate, if it means just another examination of the coal mining set-up, we cannot expect much. Dominion Steel and Coal controls the whole industry in the province of Nova Scotia. The organization has its ramifications throughout Ontario, Quebec and New Brunswick. It controls timber limits, steel, coal and iron. The company has some twenty-nine or thirty subsidiaries, and unless the whole picture is examined into we

shall not get a solution to the problem. I have talked to men who have sat on commissions in the past and they have told me: Yes, you are quite right as to the juggling of costs in that big machine, but we were examining one specific question, coal, and although we could see something wrong here and something wrong there, our terms of reference did not permit us to make an examination from those angles at all. I m in hopes, Mr. Chairman, that this matter will be settled this time once and for all through a thorough overhaul of the whole organization controlling coal and all its subsidiaries, and unless the terms of reference are all-inclusive to permit that it will be just repeating the performances of the past—another commission, another report, and no solution.

The hon. member for Macleod stated that the labour organizations should have competent officials to examine into all the ramifications of the industry. They have them. The miners of Nova Scotia, through the Canadian Congress of Labour, have some of the most competent research officials that there are in Canada. Getting access to the company's books is something that cannot be done through the medium of the labour unions, because, as a result of special legislation in Nova Scotia, the books are closed so that no one can get a peep at them. The Minister of Finance has closed the books so far as members of the house are concerned and they cannot get any idea of what the financial set-up is to-day.

A few days ago I put some questions on the order paper. They were quite innocent. I merely wanted to find out what assistance was given by way of subsidies to certain companies operating in the maritimes. I received an answer something like this: Yes; assistance was given, but owing to the fact that the Minister of Finance has declared a certain policy in this house with regard to making known any assistance given through the price stabilization board, no figures can be given. I did not get anywhere.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

Mr. GILLIS: When the committee rose at one o'clock I was making a few remarks on the coal situation. I was pointing out that in the matter of research into the mining industry, as far as Nova Scotia is concerned, the job is fairly complete, and in view of the fact that the federal government have definitely decided to set up a royal commission I think that the desires of the people of Nova Scotia should be given consideration in connection with the terms of reference. The mine workers' union, when they met the cabinet committee presided over by the Minister of Mines and Resources a few weeks ago, had a brief setting out their case, pointing out the possibilities of the industry, the difficulties that are to be faced in the post-war period, and offering a solution to the problem. But this was contingent upon proving to the federal government, through the medium of this proposed commission, that they have a case.

I do not suppose there is another industry in Canada that is subsidized to the same extent as the steel and coal industry in Nova Scotia, and that applies also to most of their subsidiary organizations. I think the time has come when, in addition to going into the public treasury to guarantee that these companies make a definite profit, the government must accept some responsibility to the public and see that the organization performs a public service.

It is only within the last few months that an exhaustive enquiry was made into the closing of the Trenton Car Works, a part of the Dominion Steel and Coal set-up. A brief was prepared in that case and it is a very informative one. The reason why I say that, in addition to subsidizing and guaranteeing profits, some regard must be had by the government to the question of guaranteeing to the people of Canada that the organization shall not only provide profits but shall perform a service to the public, is this. In this brief prepared by the steel workers union, examining the Trenton question alone—and that is a very small subsidiary of the Dominion Steel and Coal organization—it is pointed out, and I bring it to the minister's attention as an indication of some serious thinking on the part of the government in this matter of setting up a royal commission, that since April 1, 1939 a total of $40,019,015.99 had been paid to the Dominion Steel and Coal Company by the dominion government in subsidies and for installation of plant and equipment. That is a good deal of money to have paid out since 1939. Operating subsidies amounted to $26,953,805.13, capital advanced on property, of which title is held by the dominion government, $7,750,776.22, capital advanced on property of which title is held by the dominion government $5,313,434.64, making a total of $40,019,015.99.

The thing I am concerned about is that while operating subsidies have kept the industry moving during the period set out here, the

dominion government definitely has an equity in plant and equipment made possible by direct federal assistance. It is the responsibility of the federal government to see that that plant and equipment is utilized in the interests of the people of Canada as a whole.

An organization that receives so much money from the federal government is in my opinion responsible to some extent to those who are making it possible for it to operate. One of the main points in the miners' brief, and they went into the question thoroughly, is that the time has arrived in Nova Scotia for an examination of coal leases. A fact that was borne out very clearly in their brief was that in Alberta, where an examination was held into cost of production, when they got an increase in production they had a decrease in cost. That is a natural assumption, but in going over the figures for the Nova Scotia industry from 1929 to 1942 they found that while arguments were advanced by the company and others to show that, unless they could get a substantial increase in production, the possibilities were that they would not be able to continue operating, an examination of the figures for the period I mentioned, and the plotting of a graph from them, revealed that in Nova Scotia during that period when they got a fairly substantial increase in production they got an almost parallel increase in cost, and as production dropped, as it did in the last two or three years, they got a similar drop in costs.

There is an answer to that, I believe. At any rate, the miners' brief sets out an answer—obsolescent machinery, high cost mines, mines that are running out, where, in order to increase production it is necessary to step up the power, pumping facilities, and so on. All these factors tend to increase the cost, and vice versa as they drop off. That definitely tells us that if there is to be any prosperity in that industry new methods must be devised and new openings made.

I am glad to see in the supplementary estimates, and I might as well say it now to save time, that the minister has a substantial appropriation for the purpose of setting up a pilot plant for the hydrogenation process and getting everything from the coal that there is in it. That would partly solve the problem in Nova Scotia. It is essential that plants of this kind be established where the operation is carried on. Our coal should be coked. We should extract every valuable by-product that could be marketed in the province where the fuel is produced. The time has come for the conservation of fuel in Nova Scotia. New openings should be found and the by-product should be utilized to the greatest extent possible. That is something that we shall have to go into if the industry is to be operated on an economic basis. Because of our geographical position I cannot see how we can continue to drag our coal from east to west as long as the flow of trade is in the direction it is at the present time. The only way to make that industry in the province stand on its feet and compete with United States coal is to do as suggested by the miners, make a reciprocal agreement with the United States operators so that we might market our coal on the eastern American border in exchange for certain markets in central Canada. That principle could apply to the west as well. You are not considered patriotic when you talk that way, nevertheless it is an economic problem, and has a place in the discussions that take place on this problem in the future. I am going to let the matter rest because there is no need for me to try to prove to the minister that it is necessary. That has been done. The fact that the government has appointed this commission is positive proof that it recognizes the seriousness of the situation so far as Nova Scotia is concerned.

The western operation is something that I am not going to touch on. I am not familiar enough with it to discuss it. It is a totally different picture from that of Nova Scotia. In the west there are a lot of small operations; in Nova Scotia we have one organization, although there are some small ones. The solution of the problem in the east is an entirely different one from the west.

The last thought I wish to leave with the minister is that the personnel of the commission must be informed and capable men who will view the problem in the light of what it means to the whole of the country and not pull their punches in any direction. The miners are not asking for it, and the general public in the province are not asking for it. They want to see that industry rehabilitated to get the most out of it for Canada as a whole. The terms of reference of the commission must be broad enough to enable it to go into all the ramifications of the company that controls the industry in Nova Scotia.

Mr. ISNOR: I was pleased to listen to the hon. member for Cape Breton South once again bring to the attention of the Minister of Mines and Resources the question of coal production as it applies to Nova Scotia. The hon. member for Cape Breton South is perhaps the best informed member from Nova Scotia on this subject. Coming as he does from that particular coal area of Cape Breton he is well

qualified to bring to the attention of the committee the questions that he has so ably dealt with.

I could not follow what the hon. member meant when he was talking of the subsidiary companies of the Dominion Steel and Coal company. I could not understand what particular reference it might have to the coal production; but if the reference is broad enough so far as coal is concerned then I believe the royal commission that is to be set up by the government will serve a very useful purpose not only in Nova Scotia but in the dominion as a whole.

As the hon. member said, coal production in Nova Scotia is confined largely to the four counties of Cumberland, Inverness, Pictou, and Cape Breton, and has been for twenty-five years. The hon. member drew attention to the fact that from the year 1924 up to the present time, while production has increased it is necessary to increase production if costs to the consumer are to be reduced. I would point out to the hon. member that in 1924, with 2,480,000 man shifts working, they produced 4,448,000 tons of coal, or 1·79 tons per man per day, while in 1942, with an increased production of roughly speaking 50 per cent, or from 2,480,000 in 1924 to 3,518,000 man-days in 1942, they produced 6,439,000 tons, or only a slight increase, namely, 1·83 tons per day. It has been pointed out that the smallness of the increase in production has to some extent been brought about by the miners themselves through absenteeism or staying away from the mines during different periods, particularly in 1941. The hon. member referred also to the guaranteed profits to the Dominion Steel and Coal company. I am at a loss to understand exactly what the hon. member meant by "guaranteed profits" to this company. It is a well-known fact that in 1942 the company, through its independent certified auditors stated that it had to put in something like $2,225,000 to keep out of the red. In other words they were in the red to the extent of $2,225,000 on their coal operations.

I was pleased to note that the hon. member for Cape Breton South was careful on this occasion not to deal with the question of subventions. I recall that on one occasion the hon. member made a statement on which he was checked from almost every corner in Nova Scotia, including the miners themselves. It was in regard to the subventions of something like—

Mr. GILLIS: You are just a hundred per cent wrong in that statement. I do not want to occupy the time of the committee, but your provincial minister of mines spoke. The question of subventions do not come into this.

Mr. ISNOR: Mr. Chairman—

Mr. GILLIS: May I make this point clear? The statement made by the senior member for Halifax that I was checked from one end of Nova Scotia to the other on the statement I made on subventions is a hundred per cent inaccurate. What really happened is this. At two o'clock in the morning this house was in session and a sleepy reporter—there was only one in the gallery at the time—

Some hon. MEMBERS: Oh, oh!

Mr. GILLIS: I know exactly what happened. That is exactly what happened. Very few reporters were in the gallery, just one, and he sent out a C.P. dispatch that was picked up by the provincial minister of mines, and he very inadvisedly made a statement on it which he had to retract later. He was thoroughly and roundly condemned by every miner's organization in Nova Scotia. *Hansard* spoke for itself and completely changed the picture. You are all out on your facts.

The CHAIRMAN: Order. We should have reached the stage in the discussion now where we can go through the items and discuss them dispassionately.

Mr. GILLIS: That is what I tried to do. If anyone is looking for a scrap he will get it.

Mr. ISNOR: The hon. member for Cape Breton South says that he is always ready to look for a scrap. I have no intention of scrapping with the hon. member. I remember the days when I played baseball; the miners were all good scrappers, but at this stage of my life I hesitate to enter into a scrap with the hon. gentleman. My purpose was to bring to the attention of the hon. member, of the house and of the country, and particularly of the miners of Cape Breton, the fact that the subvention of $3,500,000 or $4,000,000 is a direct benefit to them.

Mr. GILLIS: It is $4,500,000, to be accurate.

Mr. ISNOR: Very well; add another $500,000 to it. I say this sum of $4,500,000 has been a direct benefit to every one of those miners, particularly those in the constituency of my hon. friend. The hon. gentleman emphasized the fact that this money is paid to the railways; but if the money had not been paid in this way the extra cost would have had to be borne either by the railway companies, the shippers or the consumers.

Mr. GILLIS: It is not all paid to the railways.

Mr. ISNOR: My hon. friend said very distinctly a few minutes ago that it was all paid to the railways.

Mr. GILLIS: No, I did not.

Mr. ISNOR: Well, the record will speak for itself. I repeat that this subvention has been of great benefit to all the miners, for without it we could not have sold the same amount of our coal in central Canada. I well remember, as the hon. member for Cape Breton South will remember, when our coal production amounted to only something like three and a half or four million tons. Back in 1929, when I sat as a member of the Nova Scotia legislature, we were very anxious to increase that production by another million tons. No doubt the hon. member was a party to trying to bring about that result; I know the united mine workers were very much concerned about the matter. I remember how gratified we all were, and how much credit was given to the provincial government of the day, when the production of that additional million tons was brought about. That has continued down through the years to the present time; and I want to say that we in Nova Scotia owe a debt of gratitude to both the previous government and this government for having provided these subventions which have made it possible for us to ship an increased amount of our coal to central Canada.

I am very glad to support the suggestion of the hon. member in regard to the pilot plant. We all know that coal alone is not going to solve our problem, that the by-products of coal are of great importance. For that reason I am glad to note that the pilot plant is being set up, so that research may be carried on in order to bring about the increased use of Nova Scotia coal. Except for the difference of opinion between my hon. friend and myself in regard to the value of these subventions, since he claims that they do not enter into the picture while I say very definitely they are of real value to us in Nova Scotia, I think I am in agreement with what he has said. Certainly I am glad to support his representation that every possible avenue of research be carried on in connection with this pilot plant.

Mr. GILLIS: When I rose to discuss this question I had no intention of going into all its ramifications, but if anyone in the committee wanted me to do so I could discuss the matter for a long time. I have the evidence right here, going back to 1917, covering the loss of markets, the regaining of markets, subventions, and all the rest of it. When the hon. member for Halifax gets up and draws upon his very vivid imagination in order to put on the records of this house, in the dying hours of this session, when he knows he is facing an election, something which is not true—

Mr. ISNOR: What part is not true?

Mr. GILLIS: I will tell you in a moment. When the hon. member says that at one time I made a statement in this house on subventions, and that as a result I was hauled over the coals throughout the province of Nova Scotia, I say that is not true.

Mr. MACKENZIE (Vancouver Centre): It is not in accordance with the facts.

Mr. GILLIS: It is not in accordance with the facts.

Mr. CRERAR: Put it that way, then.

Mr. GILLIS: If the hon. member for Halifax wants to be reasonable about this and discuss the matter, I will bring in *Hansard*, which after all is the official record of the debates of this House of Commons. The hon. gentleman knows, as every hon. member on that side of the house knows, that if I remained quietly in my seat and let that sort of statement go unchallenged at this stage of the game, they would make very effective use of it in the province of Nova Scotia. That is why I am challenging the statement at this time, because it is not in accordance with the facts. That was tried by the press of Nova Scotia and by the provincial minister of mines, but the official records of this house prove the contrary. I did not attempt to discuss this matter of subventions—

The CHAIRMAN: Order. Surely at this stage of the session we should keep strictly within the bounds of the item under discussion. This item has to do with mineral resources investigation, and there is no mention of subventions here.

Mr. GILLIS: Perhaps the chairman was not in the house when we adjourned on Saturday night.

The CHAIRMAN: Yes, I was here.

Mr. GILLIS: Then the chairman may remember that the item under which this matter could be discussed came up with the items of the Minister of Munitions and Supply.

Mr. GRAYDON: If I may correct my hon. friend, it was Friday night.

Mr. GILLIS: Very well; and those estimates were passed on the understanding that this matter could be discussed on the estimates of the Minister of Mines and Resources, that if necessary there could be a full discussion of the whole subject.

Mr. MACKENZIE (Vancouver Centre): That is correct, and it was on the suggestion of the hon. gentleman.

Mr. GILLIS: That is right. When I rose this afternoon I had no intention of discussing subventions or any of the ramifications of the industry. I confined my remarks to the matter of the royal commission, because the evidence is now assembled to be presented to that body. These subventions are fixed by statute. We are not asking for them; they are guaranteed to us, and no hon. member of this house knows the benefit they have been, or how they were received, better than I do. I was on the first committee in Nova Scotia that worked on this matter, and I know the reception we received from the coal company at that time. We were told to mind our own business, that they had ways and means of approaching the government themselves. That first committee received no cooperation from the coal company. To say that the subventions are all paid to the railways is not correct. When you pay a subvention for hauling coal to the Sydney and Louisburg railway, for example, you are paying it to Dominion Steel and Coal, because that is their railway. When you pay a subvention to the Cumberland Railway and Coal Company you are paying it to Dominion Steel and Coal, because that is their railway. When you pay a subvention to certain shipping companies to haul coal to Newfoundland or up the St. Lawrence, you are paying it to Dominion Steel and Coal, because those are their boats. That is why it is important to make an examination into all the subsidiaries of that company, in order to determine just what is the position of the coal industry. The subventions are fixed by statute, but very little was paid last year because the coal is not being shipped. To-day the problem is not to get coal into the markets of Ontario or Quebec; the difficulty is that you have not the coal to ship. That was the basis for the few remarks I made, and I endeavoured to point out the necessity for a reorganization of the industry itself. On the other hand, when you can produce more fuel the arrangements to take it to these markets are there, if the answer is subventions.

The hon. member questions the matter of profits. You do not pay a concern in Canada approximately $40,000,000 just for fun; it must be for a purpose. Those companies do not operate for fun; the subsidy must have been necessary to guarantee them a margin of operating profit. If they are making all they made previously, then the government was very foolish in pouring all that money into them. So that I say that amount of money must have been necessary.

Mr. CRERAR: Did the hon. member say $40,000,000 or $4,000,000?

Mr. GILLIS: I said $40,000,000, since 1939. They are found in three different items which I gave a moment ago. That has nothing to do with the subventions. That money was given to them in this way: First, operating subsidies to the extent of $26,000,000; second, capital advances on property, of which title is held by the government, $7,000,000; and third capital advances on property of which title is held by the company, $5,000,000. That money must have been given to them because they were not able to handle the operations themselves and make what they considered a profit. Then, another thing: it would seem that in the coal industry they can build a shipping pier at Three Rivers, Quebec, and charge it to the operating costs of a colliery in Nova Scotia. Wages can be kept depressed on that basis. If an examination is not to be made of operations at outside points, then you are not making a thorough examination. They can charge some of the operations in shipyards at Halifax to operations in coal.

When the Dominion Steel and Coal Company first came in and rehabilitated the old steel plant at Sydney, one of the first things they did was transfer $8,500,000 from Dominion Coal to Steel, and give it to themselves in blocks of stock. That money belonged to the Dominion Coal Company. And with that $8,500,000 in the treasury of the Dominion Coal Company the miners were justified in asking for a considerable increase in wages. When someone gives that money to himself, and gives out blocks of stock, then the miners who produced that wealth have a right to question why it was shipped over there to rehabilitate the industry and to enrich others who had nothing to do with producing that wealth.

The plate mill was rehabilitated at a cost of $4,000,000, which sum has been provided at this session, and those steel mills were bought and paid for by the dominion government at the time of the last war at a cost of $11,000,000. All that machinery and equipment at the mill was shipped to Ojibway Falls in Ontario. The people of Canada owned it. They wanted to use it again in this war, and they had to go to the expense of refitting the mill.

These are things I want to see examined, and unless the terms of reference are sufficiently broad that picture will not be made clear. We have been doing this kind of job for the last thirty years, in a haphazard fashion. I would like to see it done once and for all, and done properly.

And on that matter of subventions, which the hon. member for Halifax knows is a very ticklish one in Nova Scotia, there has been a great desire on the part of some people down there to prove that I am not for subventions.

Mr. ISNOR: Are you?

Mr. GILLIS: I fought for them when you did not know anything about them.

Mr. ISNOR: That is fine.

Mr. GILLIS: I fought for them when you had no idea what their functions were. And as long as they are fixed by statute of the dominion government I have nothing to worry about. They are not taking them from us. But if the day ever arrives when someone on that side of the house starts to change the assistance given to the Nova Scotia industry, you will find me one of the first to fight against it. There is no danger to it now, because it is there; it is ours. That is not a problem to-day. The problem to-day is the industry itself, and an examination of it so that it will mean something in the future, rather than having someone coming to the government every six months with his hand out, saying, "I want my money. I do not do much about enhancing the business so far as selling the coal or steel is concerned. I sit back and put pressure on the government to do my business for me, and to give me subsidies to guarantee my profits, instead of being out working and rehabilitating the industry itself." I believe when it stands on its own feet it will mean something to Canada.

Mr. ISNOR: It is interesting to know definitely where the hon. member for Cape Breton South stands in regard to subventions. We in Nova Scotia almost as a unit are in favour of them because we realize their value. I could talk on the various angles of the subject of coal mining, but I wish to say only this, that every industry must show an operating cost sheet in regard to its operations. They are published, and that fact is well known and they are audited.

Mr. GILLIS: Where are they published?

Mr. ISNOR: I do not wish to go into this matter at length—

Mr. GILLIS: Where are they published?

Mr. ISNOR: I say they are available.

Mr. GILLIS: They are not.

Mr. ISNOR: I have seen them more than once.

The CHAIRMAN: Order. The hon. member for Halifax has the floor.

Mr. ISNOR: I do not wish to pursue this matter further. I could go into the operations of the Inverness coal mines, for instance, which, as the hon. member knows have cost Nova Scotia $1,699,734.54 from August, 1925, to March, 1943.

Mr. GILLIS: And I know why.

Mr. ISNOR: That was a social need. And I would suggest that the same principle applies so far as many of our mines are concerned. I realize that the hon. member has a practical knowledge of coal mining, but I would not mind debating this question with him along general principles.

Mr. GILLIS: You know there is special legislation passed by Nova Scotia closing Dosco's books.

Item agreed to.

Mines and geology branch—

497. Bureau of mines; to provide for the fabrication, erection and equipping of a hydrogenation plant in the fuel research laboratories estimated to cost $770,000—amount required for 1944-45, $100,000.

Mr. CASTLEDEN: I understand there is a similar item in the regular estimates?

Mr. CRERAR: No.

Mr. CASTLEDEN: What are the details of this item?

Mr. CRERAR: It is to provide $100,000 for an experimental plant to examine into and find out by scientific investigation what can be done in connection with the hydrogenation of Canadian coal. This will also apply to oil. By the hydrogenation process a more complete separation or break-down can be made of the various crude oils, and substances like bitumen, which is derived from the sands of Northern Alberta. We never have had plants in Canada on anything like an experimental basis. Laboratory tests have been made. This however represents another long step forward in providing research facilities to enable this country to ascertain what it can do with some of its very important resources.

Mr. CASTLEDEN: I think they should be complimented upon the work they are doing. I have watched some of the work they are doing at the research laboratories and I know there is a pilot plant there and I was wondering if they are providing for further processes. Is it intended to build the hydrogenation plant this year?

Mr. CRERAR: Plans have to be drawn up first.

Item agreed to.

Lands, parks and forests branch—

499. Government of the northwest territories —general administration, operation and maintenance of services, including Wood Buffalo park—further amount required, $172,270.

Mr. CASTLEDEN: Where is this park, and what is the nature of the work to be carried on under this vote?

Mr. CRERAR: I understand from my advisers that none of this vote is to be spent in the park, but it happens to come under that designation in the department. The vote is for the further development of the Northwest Territories. The hon. member is probably aware that there has been an increase of interest in mining development in the Yellowknife region north of Slave lake during the last few years. We are going to start an airfield in this district and there are also certain expenditures in connection with roads, extra staff and that sort of thing. My hon. friend will bear in mind that the administration of the Northwest Territories is under the Northwest Territories council, which gets the money it needs for any expenditure under votes like this that pass parliament. Any receipts from fur or mining royalties or similar matters are paid into consolidated revenue fund.

Item agreed to.

Surveys and engineering branch—

148. Dominion water and power bureau, including the administration of the dominion water power and irrigation acts, $241,300.

Mr. BLACKMORE: The people in my constituency and in Medicine Hat constituency are interested in the development of certain irrigation projects which would make conditions more suitable in southern Alberta. Has this item any application to the construction of either of these projects?

Mr. CRERAR: The matter to which my hon. friend refers has to do with the utilization of the waters of the St. Mary and Milk rivers in southern Alberta. There is a boundary waters agreement with the United States under which the international joint commission can allocate the waters which properly belong to Canada and those which properly go to the United States. When that is done it remains for each country to provide works and facilities by way of dams and so forth to utilize properly the water that falls to it as its share. As my hon. friend is aware, a few years ago a committee of inquiry was appointed with Mr. Meek of the water powers branch as chairman, Mr. Spence, head of the prairie farm rehabilitation work in western Canada and Mr. Hunter, a representative of the Department of Finance, as members. In carrying on their work they had the advantage of the continual advice of the technical officers of the Alberta government who aided them considerably in their work. They made a report which has been printed and which I am sure my hon. friend has seen entitled, "The St. Mary and Milk Rivers Water Development Committee." They went into the matter of how the water could best be utilized and the general advantages that would come from such utilization. The development of this project in my opinion should be taken up immediately the war is over. We in this country have never realized fully the value of sound conservation measures. I am bound to say that the conservation of Canada's share of these waters will require a substantial outlay but great value will accrue to that part of Canada. I have no doubt that over a period of years the cost can be fairly well amortized.

Mr. BLACKMORE: Is any of the money to be voted under this item to be spent in furthering interest in this project?

Mr. CRERAR: No.

Mr. BLACKMORE: This committee recommended that the work be proceeded with as a post-war measure. Is any provision being made to proceed with it when the war is over? Can the minister tell us who is supposed to take the initiative and whether anything has been done to get ready for the construction of this work? My constituency is in the midst of drought. They are suffering terribly from lack of water. Much of this difficulty would have been overcome if the St. Mary's dam had been constructed a year or so ago. It is a very serious matter for my constituency. Back in 1921 there was a number of pious resolutions that we should proceed with this work, but they all vanished like the morning mist. What I am anxious to know is whether definite steps are being taken to proceed with the construction of the Lethbridge southeast water conservation project to safeguard Canada's interests in these international waters.

Mr. CRERAR: My hon. friend will recall that when the war appropriation estimates for the Department of Mines and Resources were before the house an item was passed for post-war planning that had to do particularly with roads, parks and developments of the kind, but under that same vote and this vote a study is being made by the engineers of the

department of all the data that has been gathered in respect to the surveys of these two streams. I assure my hon. friend that the matter has not been abandoned but that it is under study. What arrangement may finally be worked out between the federal government and the provincial government I cannot at the moment say. No matter how desirable this expenditure may be, it was obviously not practicable to proceed with it during the war, but it is a work—here I express my own opinion which I think is shared by all the officers of the department—that should be taken up seriously when we come into what is commonly described as the reconstruction period following the war.

Mr. BLACKMORE: I agree with the minister, and I think he appreciates the difficulties of the present situation. But here is one very serious aspect of it. The apportionment of the water presupposes that each of the two nations shall construct works to fit themselves to make beneficial use of their share of the water. The United States has already constructed works which enable them to use not only their portion of the water but all of Canada's portion as well, while Canada has simply neglected to do anything. The first thing we know we shall wake up one morning to find that we have lost an asset of very great value that will be wholly beyond recovery. Certainly something must be done by the members of parliament to prevent that, and what I would like to know is what can members of parliament do to get a little action so that the thing will be carried forward and that we shall not merely be speaking of "studies" and "the matter being under consideration". Studies were being made away back in 1900 and 1909 and nothing was done about them; the thing is to get some actual construction work done. I thought it as well to mention this matter, perhaps to strengthen the minister's hands in going forward with the project.

Item agreed to.

148. Dominion water and power bureau, including the administration of the dominion water power and irrigation acts, $241,300.

Mr. MacKINNON (Kootenay East): I understand that preliminary studies and surveys of the Columbia river watershed are being made by the Dominion Water and Power Bureau. Would the minister tell us just what is being done and what sections of the Columbia river are being studied?

Mr. CRERAR: An item in the external affairs estimates was passed this morning covering the investigation now being made of the waters in the southern part of British Columbia. That investigation is being carried on by the International Joint Commission, and if I remember corectly there was an item of $50,000 in the estimates to cover the expected cost to Canada of the inquiry for this year. I am not in a position to give my hon. friend very much more information than that. It is part of the work that is being carried on under the international waterways agreement, and the International Joint Commission are now examining the whole question.

Mr. MacKINNON (Kootenay East): I understood that the work was being done by the Dominion Water and Power Bureau. That is why I asked the question.

Mr. CRERAR: Yes. Some of the officers of the Dominion Water and Power Bureau of the Department of Mines and Resources are doing the work for the International Joint Commission. The estimate for that work was passed this morning.

Item agreed to.

155. International boundary commission, $35,080.

Mr. GRAYDON: Have the vacancies on the commission been filled?

Mr. CRERAR: There is one commissioner representing the United States and one commissioner representing Canada. Both positions are filled.

Item agreed to.

502. To provide for the expenses incurred under the agreement between the dominion, Ontario and Manitoba, confirmed by the Lac Seul Conservation Act, 1928, moneys expended to be largely reimbursed—further amount required, $2,839.20.

Mr. CASTLEDEN: Why is this supplementary estimate necessary in addition to a similar item in the main estimates?

Mr. CRERAR: Certain claims were settled in connection with the flooding of the Winnipeg river arising out of the Lac Seul agreement. This further amount is needed for interest. These amounts are recovered through the province of Manitoba, from the private power companies and the Winnipeg hydro. The federal government acts as a sort of clearing house between Ontario and Manitoba.

Mr. CASTLEDEN: The amount of $17,800, under item 150 of the main estimates, is also recoverable?

Mr. CRERAR: Yes.

Mr. CASTLEDEN: That has always been recovered?

Mr. CRERAR: Yes, that is right.

Item agreed to.

506. Medical—Indian hospitals and general care of Indians—further amount required, $235,400.

Mr. NEILL: I assure this committee that the sound of my voice is just as distasteful to myself as it is to the committee at this day and date, but I feel it my duty to bring up the subject. I claim that the Indian department have adopted a principle—no, a lack of principle—in dealing with certain Indian hospitals. To put it bluntly, they are chiselling on them, or trying to as far as they can. Naturally I think of the hospitals in my own district. We had a fairly large hospital at Port Alberni which served a fairly large area. I remember that on a number of occasions we had to dig down into our own pockets because the hospital ran short of funds. I remember on one occasion putting up $75, and others put up more than that, because we felt that we had to keep the hospital alive, seeing that the charges were not adequate. That went on for a long time and these people we had to pay for were very often only recent comers or outsiders. That was all right, but the Indian department adopted the principle of not paying the ordinary standard rates for destitute Indians. They have no right to do that any more than destitute Scotsmen, if there are such, should demand a special rate for themselves. Scotsmen are not generally destitute; they only want and try to get what is coming to them. Owing to the increased population, saw mills starting up and so on, the town has grown to a large extent, and so they adopted the system of issuing contracts for individual workers in the saw mills and collecting the money through the payrolls, giving out private contracts to individuals like myself. I pay so much a year whether I need it or not, and then I do not get free treatment but only a reduced rate. In this way they were able to make both ends meet.

Time went on, however, and expenses rose. It is a union town now and the nurses belong to a union. They work three shifts a day and have to be paid accordingly. Well, does the department object to that? Will anyone object to that? The cost of living has gone up, the cost of running hospitals has increased. Again, does anyone deny that? The hospital had to do as everyone else has had to do; it had to raise its rates. They raised the contracts, and no one kicked about that. We have a board of control on which the ordinary contract holders are represented. They are represented and the mill people are represented, so that if there is any chance of overcharging you may be sure it will be noted and taken care of. But none of these people kicked. They realized that the increase was necessary. No one objected but our friends in the Indian department.

The fact is that they would not have to deal with more than four or five hundred Indians at the most in that neighbourhood, and at last the board, after showing a great deal of patience, called for a showdown. They said, "We cannot go on taking a loss on every Indian we handle and then piling it on to the workers." The result was that a delegation came from Ottawa to see the hospital board. I was present and I can prove these things. We were told a number of things. In the first place, it was said that the hospital was overpaid and overstaffed. Well, in a union town where the girls have a union rate you cannot talk about overpaying anybody, and a good many people would have kicked if they had been paid less. We were not out to pay any money that we did not have to, and we knew that we were not overpaying them.

Next they said that the institution was overstaffed, that those who were working there were not doing enough. They were working an eight-hour shift, and there is no complaint on that score. None of us kicked or said that there were too many nurses. We were satisfied to accept the situation that was caused by circumstances, but this authority three thousand miles away, who knew nothing about it, maintained that we were overstaffed and overpaid.

When this argument was disposed of, or at any rate when they could not find anything more to say on that point, they said that they could do it cheaper in dominion hospitals and we replied, "Go ahead, but where are they? Where are those hospitals in which you will take care of these people?" They talked about some place called Norway House and said that it could be done cheaper there. But Norway House is a long way from British Columbia and we did not know the conditions there whereas we did certainly know the conditions at home. Did they allow anything for capital expenditures which we had to pay in connection with the building of our hospital? I wonder if in Norway House they pay $7 a day for ordinary labour and sometimes up to $9. As I say, we do undoubtedly know what the conditions are at Port Alberni and neighbouring places, and we know that the costs could not be less.

Their next threat was that we had better be careful or they would take their patients elsewhere. We said, "Go to it, God bless you; but where will you take them?" The nearest place was Nanaimo, which is fifty-six miles away, and it would have been necessary for them to take patients there in an ambulance.

Now suppose they took an Indian woman in an ambulance at a cost of $25—and that would be the minimum—and paid the hospital costs for five or six days in addition to that, and perhaps the ambulance back again at $25, would there be much profit in that transaction? Would it not be better for them to pay the extra two bits a day or whatever it might be and leave them at Port Alberni than to take them in an ambulance at the cost I have mentioned, possibly bringing them back if they were not sufficiently recovered?

The final and damning argument was, "You had better be careful or we will build a hospital." Build a hospital there! I was agent there for years and I may say that there were never more than 1,800 Indians on the whole west coast at any time and the number has diminished since then. To talk about building a hospital there is nonsense; some people would call it bluff. There are not enough Indians near Alberni to justify the building of a hospital.

Then there was another threat held out—or rather an appeal to our dignity and manhood. We were told that there was only so much money for the Indians and that if we insisted on a higher rate some Indians would have to go without hospitalization. I do not think there is any subject on which you can make a more sympathetic appeal than the question of assistance to Indians. "Lo! the poor Indian" is always good for a sympathetic hearing, and we were positively told or threatened, or whatever you like to call it, that only so much money would be voted for Indians and that if we insisted on our rights some poor Indian would have to go without hopitalization or with less.

These were the arguments that were put up to us, and I leave it to the committee to say what weight there is in any of them. The fact is that we simply wanted a reasonable rate. The inevitable happened. Three of these hospitals, of which there are five in my district in that vicinity, simply said to the department, "We are sorry, but we cannot find it in our mind, or in our doctrine, or in our bible why we in particular should treat Indians for less than cost any more than we should have to treat poor people generally for less than cost, but these Indians are wards of the government." And so finally these people put their foot down in these three hospitals and declared that after a certain date they would not take any more Indian patients except at the regular rate.

Observe, we were not asking for something excessive. Indeed, we were willing to take less than the standard rate. If I went to a hospital to-morrow I would pay more unless I got a rake-off by paying in advance. But for the fictitious reasons that I have stated, the department wanted to pay us less than the reasonable and standard rate.

Now there is one argument that will be used and I had better combat it at once. The minister will say, "Ah! Destitute people in British Columbia don't pay that; why should we pay more than is paid by the destitute in that province?" The answer is very simple. The British Columbia government pay only $1.75 or something like that. The explanation is this. The $1.75 is not per destitute patient; it is per every patient day in the hospital. Even though a destitute never went there, we would get that low rate for every patient and in return we would have to treat all destitutes for nothing, no matter how many or few, It is a rough method of figuring throughout British Columbia, certainly at any rate in that area. The provincial government pays $1.75 for everyone who is treated, whether black, white, rich or poor, or anything else, and that makes the difference in the rate payable by the ordinary patient. You can understand that $1.75 per destitute patient is very different from $1.75 for every patient.

These hospital boards took it up with their people—in fact it was insisted upon by their constituents, so to speak—and notified the government that they would not take any more of their people except at the standard rates. What did the government do? They immediately climbed right down in the case of three. I have the records right here. They simply said: "Well, we think you have not made out a case; we think we could do it cheaper, and so on, but we cannot help ourselves. We will pay." It was too bad, was it not, asking them to pay the standard rates? In fact it was a little less than the standard rate. They did not give it to everybody. That is what I want to kick about. There are two hospitals, they are in that area run by the Catholics, and like all Catholic hospitals they are run very well indeed. No one has dared breathe a word about the way in which Catholic hospitals are run. I remember once when I was the Indian agent a Presbyterian missionary and his wife were contending with the Catholics about the schools, and there was a certain amount of ill will. The Presbyterian missionary's wife one day sent for me and asked me to call on her at a hospital, and when I went I was surprised to find that she was in a Catholic hospital. I said to her, "My, but I am surprised to see you here. I thought there was bad blood between you and the Catholics. How is it that you are here," She said, "Well, Mr. Neill, I am a sick woman and I go where

I get good treatment." That is a true statement. These Godly Catholic women are serving there, ministering to the poor, and here we have the department cheaply and meanly, trying to take advantage of them. It says to these people, "It does not cost you so much to run your hospital because the nuns work for next to nothing." That is a mighty poor excuse indeed. We have nothing to do with that. It is a well run hospital.

Then the other day I saw that one of them was written to in this manner:

"Come now, show us your costs." Well, the costs may not be very high, because instead of paying certain girls who belong to a union $125 a month, or something like that, they get nuns to work for next to nothing. "Show us your costs and we will think about it." They did not say that to Nanaimo or Port Alberni or Duncan. They simply said: "We will have to accept your price there." And it is a suitable rate. They settled the rate for these three hospitals but they are not giving these other people the rate at all. They bickered and said: "Show us your costs." Perhaps their costs are not comparable to the undenominational union run hospital. Nevertheless these Indians have to be taken care of. I do not think there is any cheaper form of chicanery than to refuse to pay these women the proper rate because they have not the vocal powers, or perhaps do not like to antagonize public sentiment by saying they will not take the patients. Of course that is part of their religion. They do not refuse to take in poor suffering humanity, and apparently the Indian department is taking advantage of them and refusing to pay the standard rates. If the Indian department or the minister can qualify that or dispute it, I shall be glad to hear it, because I have the data here. I have letters that were written; in one place they said they would pay the rates, but they wrote to the Catholic hospital and argued and deprecated the idea, and said, "Show us how you can justify rates like that." Let us hear the answer.

Mr. CRERAR: The hon. member for Comox-Alberni has brought up a matter that has given the Indian branch a good deal of concern and worry. I am not going to pass an opinion on the manner in which he stated his case from his point of view, but it certainly was not presented in a moderate way; I will say that.

Mr. NEILL: Yes, it was, very much so.

Mr. CRERAR: This difficulty with the hospitals in British Columbia is one that goes back over a considerable period of time. So far as the Indian administration is concerned, certainly I would say they should pay what are fair and reasonable rates. That is what we have endeavoured to do all across Canada. The rates we are paying in British Columbia to-day are $3 per patient per day except in some hospitals where we gave assistance in the capital outlay for the building of the hospital.

Mr. NEILL: Where you have contributed.

Mr. CRERAR: Where we have contributed to the capital cost of the hospital. We are operating a thoroughly modern and up-to-date tuberculosis hospital out from Sardis a short distance from Vancouver. The cost per patient in the Coqualietza hospital was $2.23 last year. It is quite true, as my hon. friend states, we do not provide interest on the investment out of that; that is not included. I do not think that depreciation is included. But even if we took those items and added them our per diem cost at the Coqualietza hospital would still be substantially below what we are paying other hospitals throughout British Columbia. I could give the committee the information on what our hospital treatment of Indians is costing in the other provinces if we care to take the time to do so.

Mr. NEILL: No, that does not matter.

Mr. CRERAR: No, it does not matter, but it matters a bit to the department.

Mr. NEILL: No.

Mr. CRERAR: The per diem cost for the treatment of Indian patients in the other provinces is again substantially below what it is in British Columbia. It may be that there are special factors in British Columbia that increase the cost of operating a hospital; I cannot say as to that.

My hon. friend rather ridiculed the idea that we should ask for some information or data on the cost of operating a hospital, for instance. I do not know that that is an unreasonable thing. If we are being asked to pay an amount that we think is too much, is it unreasonable to ask hospital authorities to justify their figures? It may be so regarded by some. I do not think it is. All I do know is that we are endeavouring to increase substantially the medical service to the Indians of Canada. The committee knows as well as I do that we have been limited in the amount of money provided by parliament for this purpose. Naturally in those circumstances we have sought to make the money go as far as we could. At the same time I repeat to my hon. friend and to the committee that we want to pay and are will-

ing to pay the costs that are fair and reasonable in all circumstances. I may say this for the information of the committee. It seems clearly evident that in future years the federal government whose wards the Indians are will have to spend considerably more money for Indian hospital treatment than it has spent in the past. I am bound to add that our experience to date indicates that we can provide that treatment just as efficiently, just as completely in hospitals operated by the department as we can in outside hospitals, and there is no question of the comparison in costs. We operate our Indian hospitals substantially lower than what we are paying other hospitals.

Mr. NEILL: Mr. Chairman, I shall not detain the committee except to deal with the argument—we will call it that for the sake of politeness—put forward by the minister in defence of the conditions which I have outlined and which have not been denied. One of his arguments was that the department had contributed to the cost of certain hospitals. Is that true of the Comox hospital? Is it true of the Campbell River hospital? The answer is no, so that we need not talk about it any more. Then the minister says, "We have spent considerably more on the treatment of Indians in recent years than we did before." Yes, we have done that. I have spent considerably more on fuel than I did a few years ago, but has that anything to do with it? Is that any precedent at all? How long has the Sardis hospital been running? What was the cost of it? What would be a fair amount for interest and depreciation? These are merely trifles, I suppose, but leaving all those out the minister says treatment can be given for $2.23 a head.

Mr. CRERAR: No. My hon. friend is not going to misrepresent me. What I stated was that you could include provision for all those things and the cost would still be substantially below what my hon. friend claims we should pay.

Mr. NEILL: That is a bald statement, without any substantiation. The minister gave the figure of $2.23.

Mr. CRERAR: I beg my hon. friend's pardon; it has been examined in the department and that has been established.

Mr. NEILL: I have seen no record of it at all.

Mr. CRERAR: Of course not.

Mr. NEILL: No, $2.23 was the amount the minister mentioned, not counting these other items, at which we can only guess. Then to buttress this figure of $2.23 and bring it up to the total of $3.50 the minister says these other items could be included. He is fond of saying, "What are the costs?" I ask him to show us the costs in this case, but he has not the figures and cannot produce them. I am reminded of the young man just home from university, who thought he knew all about farming. He told the old man, who did not know much about law or books but who knew all about farming, that he was not running the farm right; that if he would do so and so the farm would show a profit. The old man looked over the scheme and said, "Well, son, you have forgotten only one thing; that is the rent, which amounts to $3,000." If you leave out the cost of buildings and the depreciation of course you can show a profit at $2.23. The minister also makes the bald statement that he can substantiate his statement, and in an endeavour to do so he says that hospitals can be operated for less in other provinces. Certainly they can, but I am not talking about other provinces; I am talking about Vancouver island and British Columbia. The minister wants to know the details of hospital costs, but I suggest it is none of his business what they are. He has gone into the market to buy service. If to-morrow I go to a saw mill to buy lumber and am told that the price is $4,500; if I say, "I do not like that price; I want you to show me the cost of producing the lumber", they will tell me to go somewhere else for it. If I go to the saw mill around the corner, they will give me their price and no more. It is the competitive figure that counts. I have no doubt that in Hawaii or the Polynesian islands it could be done for less, but this is a matter of comparable cost. The Indian department is in the market to buy hospital services for destitute Indians. It cannot take these Indians to Quebec or Norway House or anywhere else; it can only compare the cost with that of some other neighbouring hospital.

The department did not like the cost at Port Alberni, and they said, "We will take them to Nanaimo." Well, if anything the cost there was a little higher, so the department said, "We are spending a lot of money for the hospitalization of Indians, and if we cannot get it at these rates we will have to cut down the hospitalization." I defy the minister to answer this question. Has he ever come to this house and asked for more money for the hospitalization of Indians, or any other aid for the Indians, when it has been denied him? The public are peculiarly sensitive in this regard; they are always willing to vote money for these purposes. If I wanted to do so I could go into several other matters in this

department, but I do not want to hold up the minister too long. The Indian Act is due for revision, and I think the Indian department is due for revision in many respects as well. But this is one matter we have immediately before us. The minister is trying to chisel these poor Catholic women, or perhaps I should not call them poor. They may be poor as far as money goes but they are rich in the grace of God. But we are taking advantage of them because they have no money and they have to yield in the matter; they cannot make a fuss about it and say, "Take your sick somewhere else." The minister says the cost of hospitalization is lower in Quebec, but these Indians cannot be taken to Quebec. I say the Comox hospital and the Campbell River hospital are being unfairly treated; let the minister deny that statement if he can. I do not care what the cost is; it is comparable with Nanaimo, which is seventy miles away, and with Port Alberni, which is one hundred and seventy miles away. Now the minister says this one wants so much and that one wants so much, so we will chisel these nuns in this Catholic hospital. Shame on him.

Mr. CRERAR: I am not going to continue this controversy with my hon. friend, because I believe the committee wants to pass these items. But in respect to the last statement made by the hon. member, I hope he did not seek to give the committee the impression that the department were chiselling on what he described as poor Catholic women.

Mr. NEILL: That was what I said.

Mr. CRERAR: Then if my hon. friend made that statement he said something which is wholly out of line with the facts. There is no distinction whatever in the treatment afforded hospitals in British Columbia. If my hon. friend seeks to convey the impression that because some very worthy sisters are running a hospital we are trying to shave them down and beat them down, simply because they are unable to advocate their own case, then I say he is giving this committee an impression which is wholly unwarranted and wholly outside the facts.

Mr. NEILL: If I may interrupt, I will concede that perhaps I should not have said the minister was taking advantage of these women just because they were poor and non-vocal. He tried to chisel us all, but the other people stood up against him and said, "We will not stand for it; we will not take in the Indians." I suggest that if those in charge of this Catholic organization had been in a position to defy the minister as well, they would have done so. The others would not stand for the chiselling, but they have to take it; that is the difference.

Mr. EDWARDS: At this late stage I apologize for rising; yet as one who is proud to be an honorary chief of the Indians I do not propose to let this occasion pass without saying something on behalf of these, the least vocal and least pugnacious of all Canadian citizens. I am not going to traverse all the complaints that have been uttered, many of which in my opinion are entirely legitimate; but I do not know of any class of people in Canada more appreciative of the difficulties under which this government are trying to carry on the affairs of the nation, or more patient and tolerant in spite of the fact, which is quite true, that they are not treated as fairly as the situation warrants or as they deserve.

The minister has spoken about comparative costs of hospitalization. This prompts me to rise and say that on the reserve of the Stony Indians, of which I am an honorary chieftain, there is a very excellent hospital, on which the department is to be congratulated. It would have been difficult indeed to find a finer, neater, better equipped and, until a year ago, better administered hospital than the one on this reserve. But, alas, with the prohibition of the use of oil for heating; because of the cost of heating with coal; because of the difficulty of getting competent medical men and because of the shortage of nurses that very excellent hospital has remained with its doors closed, unless it has been reopened within the last week or two, and the several hundred Indians on that reserve have had no medical attention except in emergency cases, when a doctor from a neighbouring reserve some thirty or forty miles away has made special trips. I am sure this government will—and must perforce—give regard to the appeal of these poor people, many of whom are neglected and may die because of that neglect.

In the very fine memorial sent to the department by the Indian Association of Alberta there are a number of points to which they draw attention. I shall refer to only two, the first of which is the extension of social legislation to the Indians of Canada. In these days we have heard a good deal about social security, and measures we deem necessary and desirable for our Anglo-Saxon community and the other white citizens of Canada. Surely we should not forget our Indian brothers, and accord them the same or approximately the same consideration as we demand for the white population, by way of social security,

old age pensions, care for the blind and hospitalization. Why should they not receive the same care and consideration?

My second point is that I think the whole system of education of our Indian population is one which ought to be carefully scrutinized and reviewed, in the light of the admitted fact that the nomadic life of the Indians in Canada for the most part has ceased to exist except in the Northwest Territories. I say our educational system, designed to fit the Indians for a modern style of living, is one which needs complete overhauling.

On two other occasions I have referred to this matter. Our educational system for Indians does not fit them for the white man's way of life, and at the same time entirely unfits them for the Indians' way of life.

I pass on to one concluding observation on this subject. Because of the retreat of the fur-bearing animals along the east slope of the Rocky mountains, the reserve which at one time sufficed to sustain and maintain the Indian population no longer does. If these Indians are to subsist at all they must of necessity revert to grazing and agricultural pursuits. At this time they find themselves with reserves wholly unfitted for these purposes, with the result that they are quite incapable of maintaining themselves. On three different occasions I have urged the department to buy or purchase suitable agricultural and grazing lands upon which the Indians who are now ready and, as they have demonstrated, able and willing to engage in agricultural and grazing pursuits, may employ themselves. But they cannot do this until they have the land.

In this connection I would refer to the Stony reserve, with which I am mostly familiar, and I would say that the land is available. No finer management could be given to an Indian reserve than now exists out there; yet the man who operates it is only a grade 3 clerk in the department, and receiving remuneration as such. I say that is not good enough. We ought to be willing to pay competent men to look after these people, particularly when they have demonstrated their anxiety, their willingness and their ability to profit by any help given to them through education, which would fit them for modern agricultural pursuits.

Item agreed to.

159. Branch administration, $60,183.

Mr. BRYCE: As everyone knows, the Indians are wards of the government. They have no vote and no representatives in parliament. As such they are dependent entirely upon a sympathetic government and the sympathy of the members in that branch of government which deals with their affairs.

Mr. MacNICOL: If they had the vote they would be much better treated.

Mr. BRYCE: I learn from different sources that Indians in eastern Canada are beginning to take their place in industry and agriculture. The Indians on the prairies, and especially in the northern parts, are still to a great extent sticking to their original habits of living by hunting, trapping and fishing. My information is that on the Pacific coast there are many instances in which they are fitting themselves into the white man's life, working as loggers and fishermen. From everywhere however one hears the same reports as to the desperate conditions of poverty under which they live. With the Indian population on the increase something should be done. It is neither possible nor desirable to treat them perpetually as alien enemies in our midst. Eventually they must be brought to a stage where they can mingle with the whites on terms of equality.

We owe a great deal to the Indians, because we got this great Canada of ours from them. In return we give the non-treaty Indians $5 per year in payment. This seems a very small amount indeed in exchange for such a wonderful and rich country as Canada is. They are confined to their reserves, and the treatment handed out to them is far from satisfactory.

When the government made its agreement with the Indians they were promised education, medical care and living room as long as the sun shone in the sky, the grass grew and the rivers flowed. None of these promises has been carried out to the satisfaction of the Indians concerned. Changes take place rapidly these days, and since Indians live largely in the past and the present and give very little thought to the morrow, the mere process of making adjustments in methods of living made necessary by present-day conditions is beyond the powers of most of these men of the bush. Having been wards of the government for many years, they have grown accustomed to the care of the Indian Affairs branch. I would invite the committee for a few moments to consider some of the problems with which the Indians are faced. Their education is a difficult problem, but one which should not be incapable of solution if approached with intelligence and sympathy. Mother lore and later folk lore and the experience gained on the trap lines and the fishing grounds is the only education obtained on the reserves. There are two systems in operation, day schools and residential schools. Various religious bodies have cooperated with

the Indian department in establishing residential schools where prices of about $200 per year are paid per pupil. The day schools on the reserves, more especially in the north, are somewhat similar to the one-roomed schools in rural areas. They are up against the fact that the parents of the pupils travel most of the time and they do not believe in education. They must travel to earn their living and regular attendance at the schools suffers in consequence. This does not give the teacher much of a chance no matter how good he or she may be.

The residential school was created to overcome the difficulties experienced by the day schools. In these residential schools the pupils live together during the school year; they are away from their parents on the reserves. The boys and girls selected to go to these boarding schools are checked over by the doctor, that is, the children of parents who are agreeable to letting them go. Only the healthiest of the children are allowed to attend these schools. The children suffering from tuberculosis and other diseases are left at home.

These boys and girls return to the reserves from the residential schools at the age of sixteen years. The boys cannot hunt, trap or fish and the girls cannot keep house. All they have to show for their years at school is a superiority complex and a grouch. The children attending the day schools on the reserves receive the same education as those attending the residential schools and they have the opportunity of learning how to live under conditions existing on the reserves. The boys learn how to hunt, trap, fish and do other things essential to future life in the bush, and the girls learn how to bake bannocks under the primitive methods of cooking prevailing in the bush.

The boys and girls who attend the residential schools learn about agriculture and domestic science in addition to what is taught at the day school. They are well taken care of, they are given good clothing and good food, but in the north country there is no agriculture or no need for domestic science. Those things do not fit into the reserve picture of to-day. These children learn to speak English fluently but their parents speak only the native tongue. They become accustomed to the white man's ways. The girls have learned how to wash and cook by electricity, they have learned how to use many of the devices used in a modern home; the boys have seen modern agricultural implements at work, but in neither case do these children have the opportunity to use the knowledge they obtain when they return to the environments they left.

I think there is a fault in this system which could be corrected by taking the more promising pupils and giving them further education. The boys could be taught trades in some of our trades schools and the girls could be trained as nurses or for some similar occupation. As men and women they could return as leaders in their communities. People who have studied the Indians assure me that there are some who show great promise and aptitude of becoming leaders in their communities.

The Indian will have to be fitted into our economy, and the sooner we start the better. It is to be hoped that the day is not far distant when every reserve will have its own day school. The best teachers should be encouraged to take up this work and they should be paid and treated so well that they will take on Indian teaching as a life work of a missionary nature. Outstanding Indian students should be helped to work for a university degree. They should have the opportunity to study and train themselves for the complex task of returning to their people who stand bewildered between two totally different cultures.

At the present time we have 260 Indian day schools and 80 Indian residential schools, with 16,876 pupils. From these figures it will be seen that there are not sufficient schools to start with. Indian children of school age number about 26,000, so it will be seen that there are 10,000 Indian children who are receiving no education whatever.

Coming to the matter of health on the Indian reserve, the Indians on the reserves appear to be incapable of protecting themselves against the white man's diseases. The prevalence of tuberculosis in all its forms is nothing less than appalling and largely accounts for the low rate of increase in the Indian population. You will find great numbers of children playing about the camps on the reserves, which indicates a high birth rate, but the departmental statistics show that the death rate is extremely high. Many of those babies and children will never reach maturity and those who do will have a poor chance of escaping the white plague.

In Manitoba, my own province, the Indians comprise only 2·2 per cent of the population, but the deaths from tuberculosis make up 31 per cent of the total deaths from that cause in the province. The reason is obvious. They have not built up immunity against the disease, and lack of intelligent maternal care, unsuitable and insufficient food produce the same

results on an Indan reserve as they do elsewhere. They have no appreciation of the ways of tuberculosis, and they have no knowledge of the dangers of infection or the importance of isolation of infected cases. They know nothing about the accepted methods of sanitation. Infected mothers can be seen nursing their babies on any reserve.

The log shacks used in the winter are so thoroughly chinked that the pure air is completely excluded and they are so overcrowded that they provide the most ideal breeding grounds for the disease. Their minds are so rooted in the past and so suspicious of the motives of the white man that they do not readily accept leadership from their white neighbours, who might be able to inform them as to the best precautions to take against this disease. We find from the departmental report that tuberculosis is the leading cause of death among the Indians, the death rate being ten to thirty times higher than that of the white population.

The great trouble seems to be lack of hospitals. We have approximately 500 beds for the hospitalization of the Indians and from the department we find that two-thirds of these are occupied by T.B. patients. The hon. member for Comox-Alberni this afternoon spoke of sending some of the Indians to Norway House. I have already drawn the attention of the department to the overcrowded conditions there. I said in the house a while ago that it was a sixteen-bed hospital, but I was corrected; it is a twenty-four-bed hospital. In that twenty-four-bed hospital there were forty-three patients when I was there. I saw them myself. So that there is no need for the hon. member to look to Norway House to help him out with a few beds.

The average number of deaths annually from tuberculosis among the Indians over the last five years is 815. On the basis of three beds per annual death, there are 2,445 treatment beds needed. Because of this the public as a whole is glad that a good bit has been done to check tuberculosis among the Indians and would endorse the expansion of the work. This is as it should be, for in spite of what has been done much more needs to be done.

Still, not forgetting that there is a war on, which has taxed the supply of doctors and nurses, we can only look on and make suggestions for the future. What will be most needed will be more frequent visits to isolated reserves by qualified doctors or nurses, or both, and more sanatoria; some in the north as well as some in the south, because it would be hard to convince an Indian at The Pas that he should go to Winnipeg for treatment when he is sick. There should also be health education in the schools by visiting doctors or nurses and the medical officers should be empowered to compel the attendance of Indians at hospitals or clinics if necessary.

It will be very interesting to hear from the department when the nutrition programme being carried on at Rossville by the resident doctor, along with eminent doctors to the south of us, has been completed. What has been done to assure proper treatment of all Indians in Canada for trachoma and in the matter of nutrition? It is to be hoped that this may be the means of saving the eyesight of many Indians, and the nutritional work being carried on will benefit not only Manitoba but the whole North American continent.

Coming to the economic needs of the Indian, little can be done in any direction until a more satisfactory economic basis is laid for their life. As long as we have known the Indians they have depended for the means of subsistence on the bush and the lake. The coming of traders provided employment for them as freighters and enlarged their food supply by providing a market for their furs. These sources of food have gradually been disappearing. The aeroplane is supplanting the canoe for passenger and freight traffic. One makes a journey into the wilderness to-day in comfort in an hour or two which by canoe would require days, to say nothing of mosquitoes and black flies, portages and hard beds on the ground. There again the Indian has lost another source of revenue.

There are still plenty of fish in the lakes but should commercial fishing be encouraged in these lakes the Indians will have again lost a source of food supply. The distance from a market has kept these lakes from being a profitable commercial enterprise, but with the development of the aeroplane the fishing in these lakes may become profitable.

A great deal could be accomplished by teachers, missionaries and doctors if a community centre could be established in each reserve. If a hall were secured suitable for handicraft studies, health classes, adult classes in English, reading and writing and indoor sports, boy and girl scout movements, it would be a step in the right direction. The Indians, never having had such a thing as a community centre, have no conception of what an important part it could play in their future life. If the government could start something like this on one or two reserves where there is a good leader, I am quite sure that the Indians could be got to cooperate.

The problem of the Indians' livelihood is more complex and difficult, and what must be

done depends in detail on the part of the country under consideration. But one principle unites all requirements, namely this, that while the Indian was free to roam at large he gained his living wandering freely where food could be found; now he is confined to a small area and must get the same living intensively.

One of the bright spots in the Indian situation to-day is the wonderful progress in establishing the muskrat areas. To Tom Lamb of Moose Lake, Manitoba, a trader, born and living there, we give the credit of being the man to start this first. Having leased an island from the province of Manitoba he carried on his experiments in increasing the rat population.

Mr. MacNICOL: And the beaver population, too.

Mr. BRYCE: It is a wonderful story which no doubt most hon. members know, and I refrain from telling it again except to pay tribute to Mr. Lamb for the great work which he started.

The provincial and federal governments took up the idea and are developing similar schemes for the benefit of the Indians. The results have been excellent, and I have no doubt that further areas are being surveyed with the idea of making the Indian independent and able to earn his own living. The results have been so good that the government no doubt in the future will be able to get back their original investment.

I might say that in connection with this work there were eight beaver taken up to Fisher river, Manitoba, and let loose. When given their freedom three went one way and five went another way. The group of five kept travelling to a point sixty-five miles from where they got their freedom. At this point they built a dam which it would have cost the department $3,500 to construct. There had been a dam surveyed there and these beaver selected the very same spot. I want to appeal to the Minister of Natural Resources to see that all beaver are protected for the next five years. Beaver doing work like that are worth $700 each. The fur or skin of the beaver can never be considered when they can do such work as this. It has been the draining of these marshes, the ruthless trapping by all classes of people that have helped to deplete the northern country. If the beaver are protected and allowed their freedom I am sure it will return dividends a thousand-fold to the government and provide a livelihood for the Indians.

[Mr. Bryce.]

I wish to congratulate the government on the policy they have adopted, both provincial and dominion, to handle the furs for the Indians and to divide this money over into twelve payments. This is going to be a great lesson to the Indians, to learn that by getting their money by the month they will have something to spend every month in the year. As I said before, it has been a failing of the Indian that he does not look to to-morrow. In this way the families of the trappers have known for the first time the security of a small but regular monthly income which still can be supplemented as usual, of course, by casual labour or the sale of hay and wood. I see no reason why the plan should not work in other districts. It protects the Indians and enriches the country at the same time. It is to be hoped that the project will be manned and operated almost entirely by Indians, who are showing a great liking for the work. Something can be done by way of gardens and the patches of soil in the rocks, but the Indians are hunters and eaters of meat rather than vegetarians and it is difficult to interest them in any form of agriculture. In the same way I believe that forestry and lumbering operations could be handled and developed and probably fisheries on slopes of the Rockies. It will be a matter of guiding them in the principles of preserving the resources entrusted to them so that they may become independent and take their place in Canadian life.

The Indian is not lazy and he will work and work hard at the kind of work that is natural to him. Canada owes at least this much to the people who are the true Canadians.

In closing I have one or two questions to ask the minister. I thought that the hon. member for Comox-Alberni would have touched on this. The Indians in British Columbia are very much annoyed at having only $4.88 of groceries; that is to say, the Indian who cannot work is allowed $4.88 and no more. If he happens to have a wife and she cannot work he gets $6.30. I want the minister to look into that. That is a disgrace and there must be a slip-up somewhere. I went into this matter with the officials of the department and they have shown me what a man is allowed, and I know that the men on the reserves are not getting what the department says they should get.

In a recent speech the minister said that there were good agents and bad agents. I hope he will clean out the bad agents and advance the good agents. The Indians in British Columbia have another grievance. In selling their goods they consider that, if I might use a vulgar expression, they are gypped. It takes $3.50 worth of wool to make a sweater. The

Indian has to sell that sweater for $4 and the product is sold in the stores for $7. That should be handled by the government.

I wish to call the attention of the minister to the deplorable conditions that exist in the northwest. I have here a quotation from Dorothy G. Steeves, M.L.A. of British Columbia, who said on her return from a visit:

The church is the most imposing building in Moosehide. Since the missionary went away it is served by a blind Indian preacher, who is not very adequate, according to his fellow-villagers. On the wall are texts and written portions of the Scriptures, written in the Indian language, but in a different dialect from that used in the village. They cannot read them anyway so no harm is done. It seems symbolical of the stupid and illogical kind of Christianity we mete out to these people.

Here is a cesspool to be cleaned out in Canada and it seems clear that the problem must be attacked by bold and drastic measures. These places of corruption can only be cleansed by proper housing, modern health services, and education. It will not serve to send the children to mission schools, only to return to the conditions of the reservation. We must train hundreds of nurses, doctors and teachers, preferably Indians themselves, to go among these people and teach them better living.

May I also direct the attention of the minister to what appeared in the Ottawa *Journal* of March 24, 1944. I want him to contradict it if it is not true, because it has had a detrimental effect on every reserve in the dominion. It was carried in every newspaper. It dealt with the visit of a bishop to the department; and I quote from it the following:

"Most of the officials of the Indian branch," the letter continued, showed great sympathy but said nothing could be done without the high approval of a certain Mr. Jackson, executive assistant to Mr. Crerar (Minister of Mines and Resources), and who seems to be somewhat of a half-appointed dictator over anything concerned with Indian welfare."

"Mr. Jackson told me the federal government was thoroughly acquainted with the situation among Indians on the upper Laird river and along the Dease river, and he readily admitted the Indians had been sadly neglected in the past. Yet, Mr. Jackson added, we must first win the war, and if I had any money to spare right now, I would have cannons built with it and let those Indians die rather than spend it at such a time on Indian welfare."

Mr. CRERAR: Is my hon. friend—

Mr. BRYCE: Wait until I am finished. It will save time. The hon. member for Calgary East claims to be an honorary chief and I thought he would have told us about this.

Mr. MacNICOL: He does not claim to be; he is one.

Mr. BRYCE: If he is an honorary Indian chief he should have reported this. I refer to two men named Fred Hudson and James Ward on that reserve. Their numbers are respectively 230 and 398. These men lived on the reserve for eight years. They were put there under the policy of Doctor Scott and now they have an order to leave the reserve by November after living there all that time. They are classed as non-treaty. I would ask the minister to look into that.

Coming back to Manitoba, I have the assurance of the department here that an adult receives for a month: twenty-four pounds of flour; six pounds of rolled oats; one pound of baking powder; one pound of tea; two pounds of sugar; three pounds of lard; five pounds of beans, two pounds of rice; one pound of cheese; one dollar's worth of meat or fish; salt and matches. When I was there I saw destitute Indians receiving: twenty pounds of flour; 4 ounces of tea; 4 ounces of bacon; 2 bars of laundry soap per month. There must be a bad agent somewhere, because the department assures me that the allowance for destitute Indians is as I have stated. In case the minister thinks that I am talking about someone who is not really destitute, in case there is any argument about it, I would refer him to Roderick Robertson, who was receiving that treatment, a blind man—stone blind.

I would ask the minister to be good enough to give to the Indians the answers which he promised eight weeks ago with regard to income tax and being called up for service. He knows that we have 1,800 now serving in the army. Many of them have volunteered. They are now being called up. The minister promised in his speech on June 7 that he would give the Indians an answer in three weeks, and he has not done it yet.

Some hon. MEMBERS: Carried.

Mr. CRERAR: There is no one in this committee who would more gladly see those estimates carried than I, but I think it is necessary to take note of some of the remarks made by the hon. member who has just taken his seat. With his general statement I have not very much fault to find. I do not think that his research into the history of the administration of the department has been complete or thorough; but there is no doubt that my hon. friend is genuinely interested in the welfare of the Indians and therefore I welcome his remarks to-day, some of which were constructive and some of which I might say were not very well founded.

On the general question of the welfare of the Indians, there has been, I am glad to note, a decided increase in interest throughout the whole country in the last few years. Not

quite nine years ago when this government took office practically nothing had been done in the way of specialized study of the incidence of tuberculosis among the Indians. At the present time we are spending more than half a million dollars in that particular field. We have made surveys and studies of the problem. Very little had been done in the way of examination into the nutritional side of the foods that the Indians were using. Extensive surveys have been carried out in the last few years in northern Manitoba. Those surveys were made with the assistance and cooperation of the Hudson Bay Company and the Millbank institute of New York. The studies were carried out in a definite and scientific way, and very interesting results were achieved. The department has prepared under expert direction a biscuit that contains the important vitamins. These biscuits are distributed particularly for the use of children in the schools. Much more can be done in that direction.

The Indians, particularly in the northern parts of the provinces, are the ones who have suffered and are suffering the most. Their mode of livelihood is practically gone. What the hon. member for Selkirk said is quite true, namely, that the mode of life of the Indian has changed greatly. These changes have been thrust upon them. They have seen their trapping grounds go and their means of livelihood disappear. One of the things that I initiated—and I take considerable pride in it—when I came into the department was a study of the possibilities of the restoration of fur-bearing animals in the northern parts of those provinces. I am not going to tell the story to-day. Hon. members of the committee who are interested in it will find it pretty well set out in the reports of the reconstruction committee. Officers of the department appeared before the committee and gave detailed information as to what had been achieved in that direction. I am quite confident that by wise policies—if we get the cooperation of the provinces, and we are getting it in a very large way indeed—the fur-bearing animals can be brought back, and we shall have a market for fur in the future that will afford these people a fair standard of living. The department is spending a good deal of money, and has spent a good deal over the last several years on this work; but it is perhaps the most useful expenditure that the department has made.

On the general question of Indian administration in Canada, there is no doubt in my mind that the whole Indian Act needs a thorough revision. That was apparent to me as long as five or six years ago. The depart[mental] officials have been studying the ac[t] with a view to rewriting it and getting a [new] act. After all, the present act was pass[ed] many years ago when the problems of India[n] administration were wholly different fro[m] what they are to-day. I hope that when th[e] war is over and the preoccupations that eng[age] the time of parliament and of meml[bers] disappear with it, a revision of the Indian Ac[t] can be undertaken. It certainly should h[ave] the most serious consideration that can b[e] given to it by the next parliament.

I do not know that I have very much more to add. I do not despair of the Indian problem. I admit that there is a problem. With improvements in sanitation, in medi[cal] care, in nutrition and ways of life the increas[e] in the Indian population will accelerate y[ear] by year. It is simply a matter of common sense that the administration of Indian affair[s] take note of that fact and try by wise policy not only to give the Indians the means of becoming self-supporting but to bring about in his way of thinking, in his psychology, a desire on the part of the Indian to make himself self-supporting and become a full-fleged citizen of the country. These are problems that must be dealt with in the future. I wish merely to mention them briefly to-day in the consideration of those estimates.

Mr. BRYCE: The minister has not answered my question.

Mr. CRERAR: I am sorry. My hon. friend brought up two or three matters. If I understood him aright he gave an instance where an Indian paid $3.50 for wool in British Columbia, sold the product for $4 and it was retailed in the stores at $7. I should be very glad if my hon. friend would give the particulars of his information to the department, because I am advised that the sale of the products of the Indians—and it is substantial in quantity—is carefully watched by the Indian administration in British Columbia. That certainly is the case with fur in northern Manitoba.

My hon. friend was really not on very good ground when he did this. He read an extract from the Ottawa *Journal* of some day in March last purporting to give a statement by Bishop Coudert in Edmonton, I think it was, in which serious reflections were made on the Indian administration. I gave the press a statement about the matter. It may have escaped the notice of my hon. friend. Bishop Coudert was not correctly reported. When I read his statements it was quite evident that he had not been correctly reported. I deplore the practice of taking an article that appears

in a newspaper and placing it on the pages of *Hansard* as if were fact. If my hon. friend had made inquiry of myself or of the department he could have been satisfied on that point.

Mr. BRYCE: All I want to know is whether it is true or not true.

Mr. CRERAR: Of course there has been a serious situation in the Yukon and the area from which the bishop comes, as well as in other parts of Canada. It has been difficult to get qualified medical men and nurses because in several instances they have not been available to send to these territories.

My hon. friend also referred to the case of two individuals in Alberta who he alleged were Indians and who had been removed from the Indian rolls; I think their names were Ward and Hodgson, on the Hobbema Indian reserve in Alberta. The fact of the matter is that these two persons were not Indians under the Indian Act, although they had come to live on the reserve. Years ago in the settlement they both accepted script, but they were half-breeds. I do not wish to criticize past administrations, but these people were living on the reserve and were regarded as Indians, although as a matter of fact they were not Indians under the Indian Act. The department has a serious trust in that respect. The Indians are wards of the federal government, and that wardship is clearly set out in the Indian Act. If those who are not Indians, for instance half-breeds, are allowed to be treated as Indians, to share in band funds and other Indian property, then it is a distinct violation of the trust; and if the department permitted these people who are not Indians under the act to continue to participate in Indian benefits, the department would be leaving itself in a very wrong position indeed, wrong not only morally but legally. I do not know if my hon. friend was interested in any other point.

Mr. BRYCE: I pointed out that these men were accepted by the Indian department and given numbers eight years ago, under Doctor Scott. I am not prepared to debate the point; I have not sufficient knowledge of the matter, but I am asking the minister to be good enough to look into it. They were accepted on that reserve eight years ago.

Mr. CRERAR: Let my hon. friend get this clear right now. It may be that some local Indian agent allowed them to live on the reserve and that they were treated as Indians, but the point I am making is that once the fact was established that they were not Indians we could not legally or morally permit them to remain with the status of Indians. It would be quite impossible. Once the department discovered the facts we could not permit them to remain as Indians and participate in all the benefits the Indians enjoy, because it would be a violation of our trust. I might, for instance, just as well call my hon. friend an Indian and let him participate in the band funds. I hope my hon. friend sees that point.

Mr. BRYCE: It was not a local agent who accepted these men; it was Doctor Scott, of the Indian department here. However, I am willing to let the matter drop. Have we got this straightened up yet? When I go back to that reserve in my constituency I am going to be asked, "Did Mr. Jackson make this statement or did he not?" I want to be able to answer the question. I want to be fair about the matter.

Mr. CRERAR: I can satisfy my hon. friend in a moment. Mr. Jackson did not make that statement.

Mr. BRYCE: All right.

Mr. CASTLEDEN: I should like to add a word to what my colleague has said. I am very glad to hear the minister say that the revision of the Indian Act is under consideration, and I hope when that revision is under way, we may make some small contribution toward remedying some of the defects that have existed in the past. My plea is that the Indians be given an opportunity to make their own contribution to Canadian life, and I believe one of the first things that will have to be done is to give them some effective means of making their voice heard by the Canadian people. We know of things that have happened since this war began. The conscription of these men off Indian reserves, for instance, is something which I should say has hurt the attitude of the Indians toward the people of Canada. If these people had been taken into the confidence of the officials of the government, or if they had felt themselves worthy of even a vote in this country, then I think they would not have considered themselves mistreated. They have made several pleas to the government as to the status of the Indians with respect to being subject to conscription; and although we are now in the fifth year of the war, and the war is almost over, there has been nothing in the way of a satisfactory statement from the government which would contribute to a settlement of the matter. So that in the interval before the act is brought up for revision, which I hope will be next session, I trust that the officials of the department and the minister will study what our sister dominion of New Zealand has done in connection with the

Maoris. In New Zealand they have Maori representatives sitting in the house of representatives. These people are educated; among them are doctors, lawyers and scholars, taking their place in the life of the community, given an opportunity to express themselves and make their contribution in a real way.

I maintain that the Indians of North America can show their white brothers many things that are wrong even in our economic set-up. I believe that the government policy of segregating these people on reserves has been wrong. Probably under the Indian Act the hands of the government are tied but, as the minister admits, the economic conditions on these reserves are far different to-day from what they were in the past. The opportunity to make a living does not now exist. I have been on these reserves; I have seen these Indians putting in their crops year after year. I have seen crop failures on those lands, and after three or four years the Indians began to wonder what it was all about. They are not all farmers; and I hope the minister has something more in mind than simply fur farming as a means of providing an economic livelihood for these people. The Indians of this country have proved themselves skilled workers; they have become mechanics, steel workers and so on. They have various talents, just as their white brothers have. Their women make good nurses, teachers and social workers. They have proved themselves. They have ability and culture, but they have no opportunity to express themselves. Unfortuantely, their economic conditions do not permit them even to improve their health standards. The minister, who has referred to the nutritional report from northern Manitoba, must know that the health condition of the Indians in Canada is far from satisfactory.

What my colleague has said is quite true. These thirty-eight doctors, many of whom are only on part time, are catering to about 38,000 Indians. Then, hospital and other medical services must be supplied. It is my submission that medical services for Indians, and health conditions among them must be cleared up, first of all. Proper nutritional standards must be maintained among these people, and they should be taught to take care of themselves.

Had the government at Ottawa done what was done in New Zealand, our Indians could have formed themselves into a regiment of their own. Some of them could have become leaders, and from among them Indian officers could have been trained. That would have meant much to these people. The fact is, however, that the training they have receiv in Canada has been scarcely sufficient to rend them available as officer material.

Indians have a great contribution to mak They are honest and, if given a chance, indu trious. My colleague has said that next ye when amendments are made to the Indian A every effort should be made to straighten o the difficulties, and in doing so the coopera of this group would be assured. Meantim something more effective should be done t remedy existing conditions.

Mr. MacNICOL: I do not think it woul be fair to let the item pass without tende a word of compliment to the minister. Fr what one has heard to-day it might be thoug that the department had been remiss in it duty. I know, of course, that improvemen could be made, but I also know, after makin an investigation into Indian affairs wider tha has been made by most members, that th department, under the present minister, ha advanced the position of the Indians. On th occasions I have made investigations in th last six or eight years, in respect of abou twenty-five reservations, I have made a com pilation of what in my opinion should be done and while doing this I have seen considerable improvement in the position now occupied by the Indians in Canada.

Right along I have had in mind asking in due course for the setting up of a royal commission to thoroughly investigate Indian affairs in this country. Let it be understood that I am not finding fault with departmental officials. What I have in view is to improve the Indian set-up from beginning to end.

I have made surveys of these reservations —not just one or two of them, but no less than twenty-five, many of which were in remote areas. And this summer I am going to much more remote areas. I can say that since the present minister has taken control of the Indian affairs branch conditions have greatly improved, but there is room for more improvement.

Someone has referred to Indian representation, and with what was said I agree. In my view the time has come when they should be given representation. It has been pointed out that the Maoris have it. That is so, but they are an altogether different race from our Indians. Then, I believe the South African government has given representation to the Kaffirs to the extent of four members. So that when the minister looks into the matter he may come forward with a programme which will carry out what has been suggested by hon

members to my left re Indian representation.

May I congratulate the hon. gentleman with the burr, the hon. member for Selkirk. Certainly he deserves credit for the research he has made in respect of the Indians. Then, too, the hon. member for Yorkton is deserving of commendation. These men have interested themselves in the problem of helping the Indians. The minister was right when he said it has been more particularly in the last few years—I am sure it was after I came to the House of Commons—that the branch has advanced the position of the Indians in Canada. It must be given credit for all it has done, and should be encouraged to go much farther.

Mr. CASTLEDEN: What is the attitude of the Indian affairs branch toward the conscription of Indians under the present mobilization act?

Mr. CRERAR: From a legal aspect, the Indians are liable to military service. That is the advice given by the Department of Justice. They have the same liability as anybody else in the country, because they are British subjects. I have a good deal of sympathy with the request by the Indians that they be exempted from compulsory military service. However, that matter is being studied. The total voluntary enlistments from among Indians since the outbreak of war has been 2,462.

Mr. MacNICOL: They receive the vote, do they not?

Mr. CRERAR: They will when they come back.

Mr. CASTLEDEN: Is there any understanding in Indian treaties, or any record of conversations between Indian chiefs and representatives of the Queen which would indicate that the Indians would not be called upon to fight the white man's wars outside Canada?

Mr. CRERAR: I cannot answer the question specifically at this time, because I have not the information. However, I doubt if there would be anything in the treaty which would change the opinion given by the Department of Justice.

Mr. CASTLEDEN: It will be found in some of those treaties that, in speaking to representatives of the Queen, Indian chiefs said that the Indians did not wish their sons to be compelled to fight the white man's wars outside Canada. I know that applies to some of the western tribes, at any rate. I do not know the conditions in eastern Canada. I believe that there is no objection to their volunteering, but I also believe that assurance was given to the Indians that the Queen did not desire the red man to fight the white man's wars.

Mr. CRERAR: I shall have that point inquired into.

Item agreed to.

162. Indian hospitals and general care of Indians, $1,593,980.

Mr. CASTLEDEN: I understand that we have in Canada about 118,000 Indians in the various provinces and the Northwest Territories. How many medical men have we to care for them? What is spent on medical services? What payments have been made to doctors caring for the Indians?

Mr. CRERAR: I do not know the exact number of fulltime medical men employed by the department. I believe it is about twenty. In addition to that there are nurses. I am quite willing to admit, however, that the medical services are not nearly as extensive or as widespread as they should be for the Indians. I would hope that whatever administration succeeds this one might make provision for proper facilities for medical care of these people.

Item agreed to.

166. Grants to residential schools, $1,549,259.

Mr. CASTLEDEN: What is the basis of these grants?

Mr. CRERAR: They are made on a pupil-age basis and vary from $160 to something over $200 according to the district in which the school is located.

Mr. CASTLEDEN: Is that for a full year's attendance?

Mr. CRERAR: A full year's attendance, about ten months.

Item agreed to.

Immigration branch—

171. Field and inspectional service, abroad, $83,387.

Mr. CASTLEDEN: Will the minister explain this item?

Mr. CRERAR: This is to provide the salaries of the immigration staff in London, England. We also have a man in Lisbon, Portugal, and there are also the necessary office and travelling expenses. This item has decreased greatly in recent years because many immigration offices abroad have been closed.

Mr. CASTLEDEN: There is an increase this year.

Mr. CRERAR: There has been some additional expense at Lisbon where we had to send a man to examine certain cases that desire to come to Canada.

Mr. CASTLEDEN: Have you a representative in China?

Mr. CRERAR: Not now.

Item agreed to.

508. Administration of the Immigration Act and the Chinese Immigration Act—further amount required, $12,385.

Mr. KNOWLES: I understood several times during the year from the Prime Minister that an amendment was to be made this year to the Chinese Immigration Act. My impression was that it would be designed to improve relations between this country and China, and I should like to know what has happened to the proposed amendment.

Mr. CRERAR: My hon. friend will have to ask the Prime Minister about that because that is under the Department of External Affairs.

Mr. KNOWLES: But the administration of the act is under this department.

Mr. CASTLEDEN: I understood the minister to say that there is no representative in China, but according to page 126 you are voting $4,700 for a special immigration officer and controller of Chinese immigration.

Mr. CRERAR: The controller of Chinese immigration resides in Canada. I am advised that we had an officer in China but he is not there now. We are still paying his salary but he is on loan to another department.

Mr. CASTLEDEN: There are no field and inspectional services abroad?

Mr. CRERAR: The position remains, but for the time being the man is in Canada but on loan to another department.

Item agreed to.

SOLDIER SETTLEMENT

336. Administration of soldier settlement, British family settlement, general land settlement and Veterans' Land Act, $1,440,290.

Mr. FAIR: This is the second time that this item has been called, and I hope I shall have a chance to have a little discussion on it. For the past seven years I have been asking questions in connection with this matter, and only two months ago, on June 14, I went into the matter in detail so that it will not be necessary to do so again. I think the minister will remember that on May 23 a delegation of nine, representing the soldier settlers' association of

Canada, appeared before a committee of the cabinet. They presented a brief which, among other things, asked that clear titles be given to soldiers who still have land under contract with the soldier settlement board. I should like to know whether anything has been done by the committee in connection with this matter.

Mr. CRERAR: Much to my regret I must say that the committee of the cabinet which heard the delegation of ex-service men that waited upon them to ask for clear titles to their land has not yet had an opportunity to consider the matter. As the hon. member for Battle River is aware, the house has been sitting morning, afternoon and evening for the last three weeks. The brief presented was rather lengthy, and shortly after it was presented the director had to be absent from the city for a couple of weeks. I think this matter is one that should have careful consideration, and in the very near future it will be considered by the committee and by the government as a whole.

Mr. FAIR: I am glad to have that information because it is a contradiction of a statement that appeared in the may issue of *The Legionary,* apparently on the instructions of the Minister of Mines and Resources. I feel that when the house is in session no minister should entrust to any civil servant the making of a statement such as the one contained in this magazine. I feel also that this statement was made with the deliberate intention of priming the convention of the Canadian Legion at Vancouver against giving consideration to a resolution to be presented there asking for the granting of clear titles.

Mr. CRERAR: Before my hon. friend proceeds with that line I want to correct him right now. The article in question to which he refers to-day and to which he referred in the house on a previous occasion was asked for by the editor of *The Legionary.* It was prepared by the director at the request of *The Legionary* and sent to that magazine before anyone here knew that the delegation was on its way to Ottawa to ask for clear title to the soldier settler lands. Furthermore, my hon. friend has no right to attack the director. He has not so far attacked him to-day but he did on a previous occasion. I take full responsibility for what appeared in *The Legionary,* because the director spoke to me before the article was sent, and I authorized him to send it because I thoght it was adding to the sum total of information on this question.

I do not care what my hon. friend may say about myself. He is free to criticize me in any way he likes, and I am free to have my opinion of his criticism, but I think that it is scarcely fair for a member of this house to make an attack on an officer of this government, and, may I say, a very successful officer. I want to add this, that the ex-soldiers of the great war and the soldiers of the present war have no better friend in this country than the gentleman who is director of the veterans' land settlement, and I will stand by that statement in this house or anywhere else despite anything my hon. friend may say.

It may be of interest to the committee, because this question has created some controversy in the country if I give a few figures. This problam of giving clear title to soldiers of the last war is not one that can be lightly embarked upon. That is why I stated a moment ago that we have not yet had time to consider fully the request of the delegation that came here. There are many aspects of that question which have to be considered.

I think it will be of interest to the committee to know that in the last five years since 1939 the total instalments due under soldier settlement sales were in round figures $5,230,000. Total payments made on those instalments due were $4,506,000. The prepayments made voluntarily, without any request or suggestion from the department, by these ex-soldiers who my hon. friend states were in a desperate plight and should therefore get free title to their land, amounted to $1,293,000. Furthermore, in the last five years 1,648 of these old soldiers have earned clear title to their land and have received clear title; and of those 1,648, 689 were granted clear title in the last fiscal year. These are facts that I wish to put before the committee because I do not wish it to get a wrong view of this whole matter.

Mr. FAIR: I am glad that the minister is feeling the pinch of his sins. He has already envisioned what I am going to say on this occasion. His statement just now reminds me of what the old politician said when he was talking to a young man about to embark on a political career. He said, "When you have something worth while to tell you do not have to talk so loud, but when you have a poor case, yell like hell." I think the minister commenced to yell a little early.

I have referred on other occasions to this statement that appeared in that magazine. I did not have an opportunity at that time to say very much about it, but I felt, as soon as the matter was brought to my attention, that I should make some objection to the article. I am objecting to it to-day. I say that it is a bitter pill and it would not go down very well if it had been printed, unaccompanied, entirely by itself. But in order that it might go down good we find that on the left-hand corner of the same page on which this statement appears there is a picture of the Governor General presenting to Carole Louise Hooey, of Toronto, the Distinguished Flying Cross won by her father, and she is proudly holding it in her hand. On the other side of the page is the winner of the Victoria Cross whom we had the pleasure of meeting in Ottawa a little over a month ago, Major Paul Triquet, V.C. That is a very nice setting for an article which is condemned from one end of Canada to the other, regardless of any statement which the minister or the director may make. Anything I have to say I am saying direct to the minister and to his director who is here. I am saying it in the house. I am not sending it to any magazine. The minister and the director are both here to question anything I may have to say.

I am now going to read the article and comment upon it as I go along. The article is headed, "Soldiers Settlement", by Gordon Murchison, director, Soldier Settlement and Veterans' Land Act. It is found on pages 10 and 11 of the May issue of *The Legionary* and says:

> During the past several months a number of representations have been received by my minister, the Honourable T. A. Crerar, and by myself from or on behalf of an organization formed in Saskatoon last summer and known as the Soldier Settlers Association.

In case anyone should be in doubt about it, I want to say that other similar organizations have been in existence for a number of years. This is a brief from one that has been in existence since 1938. So that the organization which came to life in Saskatoon is not new by any means.

The article goes on:

> This association has declared its policy by a resolution, part of which calls for the cancellation of all unpaid balances due or accruing in the agreements between soldier settlers and the director representing the dominion government. I understand the dominion executive of the Canadian Legion has received similar representations, and so that the situation from the standpoint of the government and the administration may be placed fairly before the Canadian Legion and the readers of *The Legionary*, the Honourable Mr. Crerar has authorized me to furnish you with an official statement.

> First of all there is lack of evidence that the resolution and representations above referred to reflect the serious views of more than 10 per cent of soldier settlers, and, knowing the situation as I do, I am sure the great majority of the remaining 90 per cent

must feel somewhat humiliated by the publicity being circulated by the few who for reasons best known to themselves and their friends endeavour to paint a dark and gloomy picture. What are the facts?

I question the figures given by the director when he says that he doubts that the resolution reflects the views of more than ten per cent of the soldier settlers. I say definitely that that is not correct. The article goes on:

I do not think that it is necessary to go further back than 1930 to review this situation in any detail. It is common knowledge that prior to 1930 successive governments had provided the means for the easement of soldier settlers' accounts to an aggregate of several millions by way of interest remissions, reductions in the cost price of live stock and land revaluation. In 1930 there was a horizontal reduction of 30 per cent in the indebtedness of every soldier settler in Canada on record at that time. This particular write-off totalled $11,302,127.56.

During the difficult days of the thirties when farm revenue reached an all-time low due to price or climatic factors, soldier settlers—like tens of thousands of other farmers—were unable to meet contract indebtedness of one kind and another. A year's interest charges were cancelled in 1932 totalling $1,308,492.16, and commencing the following year a bonus plan was introduced which provided for a credit of $2 for every $1 paid on matured instalments. This arrangement existed for a period of five years. Its value to the settlers concerned totalled $3,426,293.43.

Going over that paragraph, let me say that in 1932, the year in which these interest payments were cancelled, the farmers of Canada received five per cent of the national income. I ask the minister and the director, how in the world can any farmer pay interest when they receive only such a small proportion of the national income? It is utterly impossible and the condition was entirely man-made.

Again we come to the credit of $2 for every $1 paid on the soldier's indebtedness. This benefited only those who had money to pay on their debts; the man who had no money received no benefit from that reduction. When he got this legislation through the house doing away with the two for one bonus in 1938 the minister of Mines and Resources did not have the support of one member of any party, but the policy of the government was put into effect.

The article continues:

In 1935 the Farmers Creditors' Arrangement Act came into force, and soldier settlers had the same rights under the act as other farmers. Up to the end of 1937 only a limited number of soldier settlers availed themselves of this right, but commencing in 1938 no fewer than 3,504 settlers had their affairs adjusted—

Mr. CASTLEDEN: Mr. Chairman it is six o'clock.

[Mr. Fair.]

Mr. MACKENZIE KING: May I say a word to the committee with reference to the question of adjournment. I believe hon. members are pretty well agreed that it should be possible to conclude the business of this part of the session before the day is over, but it may require something in the way of cooperation between the different parties. There is always difficulty in winding up the business of parliament before adjournment where bills require royal assent. In the first place, arrangements have to be made for the presence of the deputy of the governor general at a particular hour. This necessitates some notice. The other house must also assemble in advance. This procedure necessitates, in an endeavour to make the necessary arrangements some preliminary and tentative undertakings on the part of the Prime Minister.

If there are any matters which hon. members think may involve discussion perhaps they could be mentioned at once so that they might be taken up before other items are proceeded with. If, however, the discussion is likely to be the regular discussion that is had on different items—and there are only comparatively few items left—there should be little difficulty in getting through fairly early to-night.

I might say that in the old days in this house, I have frequently known the house to sit until daybreak in order to conclude its business, and have seen that done two or three nights in succession. I take a little pride in the fact that I was the first one to bring forward in this house the proposal to adopt the rule that the sittings should conclude at eleven o'clock in the evening. That is a rule which is applicable from day to day throughout the entire session. However, in winding up the business of the house I think we must ask hon. members to cooperate with the government in seeking some finality, not for the advantage of anyone but for the convenience of all.

What I would suggest is that the house might agree to continue its sitting until seven o'clock, and meet again at eight, with the understanding that we would continue in session until business is concluded. If that were agreeable I should be very thankful and I am sure all hon. members would appreciate such a decision in almost equal measure. It would be most unfortunate, I suggest, if we had to continue over into another day or until very late to-night. If the house were agreeable I would suggest that we continue until seven and resume at eight.

Mr. GILLIS: So far as we are concerned, we are prepared to cooperate with the Prime

Minister in that request and sit as long as necessary to complete the business. I would suggest, however, that the page boys be permitted to go home. It is not necessary to punish them more than we have to.

Mr. CASTLEDEN: With all due deference to everyone who has spoken, I would point out to those who desire to see the session closed to-night that we recently had placed on the table $21 million of supplementary estimates. We have still 140 items to pass, and there are contentious matters such as the soldier settlement board and the whole of the Department of Finance. I believe it was said the other day that it is our duty as members to give the best attention we can to these items. We are sitting eight hours a day, and I think it will be agreed that the heat and humidity are unusual. We have a duty to perform and we should do that duty.

Mr. MACKENZIE KING: May I say that if there is anything the hon. member feels is being neglected or anything that is being overlooked, which should be discussed, I wholly withdraw what I have expressed in the way of a request. But simply to keep parliament going on from day to day, after the longest session this house has had in many years and where matters have been as far advanced as they have been in this session, creates I think a situation all aspects of which should be considered. My hon. friend mentions finance estimates. The estimates of the finance department have been before the house for months. We have discussed financial matters at great length throughout the entire session. If there is something in the estimates of the minister that is contentious we might be told about it at once so that the item could be brought on for discussion immediately. It does not follow that because sums of money are voted quickly members have not had an opportunity to consider the items to which they relate. I point this out only because I do not wish the government to be put in a false light before the country, while on the other hand I do desire, as leader of the government, to do all I can to accommodate the great majority if not all of the members of the house. To save public expense and the necessity of another day or two of sitting, if that involves having made now one or two addresses that might be delivered another day, the house might, I think, adopt the suggestion I have offered.

Mr. KNOWLES: May I suggest a compromise as regards the supper hour. Perhaps we could continue either until seven o'clock or until we have disposed of items 336 and 337, now under discussion, whichever happens first. That would mean that those who are not going to speak on those items could go out and eat.

Mr. HANSELL: Personally I do not care very much when we eat, but so far as this group is concerned there is only one matter now that we are vitally interested in, namely, the item being discussed by the hon. member for Battle River. After that is disposed of, so far as we are concerned we can adjourn at any time. This group has tried to form the habit of talking on big issues without neglecting the little ones.

Mr. GRAYDON: We have attempted to cooperate as best we could toward the closing of the session. I believe I made it clear on a previous occasion that so far as we are concerned it is a question of going as long as it is necessary in order to get the business of parliament done. There is a tendency sometimes to extend the sittings of the house, perhaps unconsciously and thoughtlessly, and sometimes not to the great advantage of the national interest.

My hon. friend mentioned amounts that were involved. I have never said this in the house before, but I shall say it now because, to my mind, the amount of money involved is a wholly improper basis of assessing the extent to which time should be consumed in debates on estimates. Sometimes some of the smallest items involve the biggest principles. In the largest amounts sometimes there is very little to do but let them go through, because they have been properly understood by the house and the house is desirous of seeing them go through without needless delay.

I have seen parliament criticized wrongly by some outside and sometimes by hon. members inside because large amounts have gone through in a few minutes. That gives the public a wrong impression; it confuses the public mind when they are not aware of the exact situation with respect to estimates of this kind.

I rose to say that I hope no one outside will feel that when estimates are going through at this time, particularly when we consider that the very same principles have been debated on the war appropriation bill at considerable length, they are going through without being properly considered. If there were to be any curtailment of a real character at this time I would not agree to cooperate with the government even with respect to a matter of this kind. It is only because I believe that we have practically completed a proper study of these matters so far as the public is concerned

that I am desirous of recording myself and my party as being ready to cooperate to have the session closed to-night if possible.

I may say to the Prime Minister that I think with one or two items in the case of pensions and national health and one item in legislation in which I am specially interested which should only take a few moments, there is, from my point of view, nothing much more, that has to be considered at any length. Therefore I wish to put myself on record in respect of this matter at the moment.

The ACTING CHAIRMAN (Mr. Golding): Shall the committee have unanimous consent to carry on until seven o'clock?

Some hon. MEMBERS: Yes.

Mr. FAIR: Mr. Chairman, had I been allowed to continue I believe that I would have been finished by this time and the committee would have had the pleasure of hearing the pleasant voice of the minister instead of this rasping voice of mine. I was stating that:

. . . no fewer than 3,504 settlers had their affairs adjusted by total write-offs under this act of $6,754,851.28, made up of $3,281,990.92 in interest charges and $3,472,860.36 in reductions of principal. In the course of adjustment operations under the Farmers' Creditors Arrangement Act extending over a period of approximately six years it was inevitable that some inequality of treatment would occur, either because the deterioration which had taken place was not fully taken into account or because in the alternative unsatisfactory farming conditions continued beyond reasonable expectations. Mainly, however, the break in the long spell of drought conditions and improved farm revenue closely synchronized with the outbreak of the war in 1939. There were some local exceptions to this, but that was the general situation.

During the early summer of 1942 a select committee of the House of Commons made inquiry into the affairs of soldier settlers as a result of which the government by executive order authorized the director on application by settlers to review the accounts of soldier settlers who continued to be faced with an unduly heavy burden, and, with the approval of the treasury board, to reduce these accounts to reasonable levels. Adjustments under this heading are now nearing completion, and it is estimated that approximately 1,600 soldier settlers, principally in Saskatchewan and Alberta, will benefit to a total of approximately $1,075,000. In 1,336 cases adjusted to date the reduction in debt has totalled $841,437.37.

Let me point out here, since the director neglected to do so, that in most cases those settlers have been slaves of this economic system, slaves of climatic conditions and other things for the past twenty-five years. Under the agreement they are allowed to continue for at least another twenty years. This means that a number of those settlers will be eighty to ninety years old by the time they have their contract completed, provided that conditions allow them to complete them at that time.

There is another recommendation that was made by the committee, I believe, and the director also neglected to give it, namely, that the settler should have a certain equity in his land after this adjustment is made. That equity, I believe, exceeded fifty per cent. I am not sure about that. If I am not correct in that impression the minister can correct me a little later on.

I continue with the article, under the heading of "A New Situation":

There is some realism about these extensive adjustments referred to above which no amount of argument can dispel, and there is abundant evidence that the realistic manner in which these adjustments were carried out, coupled with the general improvement in farming conditions, have, in fact brought about an entirely new situation.

Let me point out that improvements in farming conditions are not entirely responsible for the payments that have been made on soldier settlers' contracts.

It is generally agreed that a number of sons and daughters of those settlers are in the service, and a lot of their money has been used up to make good the contracts of their fathers who fought in the last war. It is also recognized by those who want to be fair that a number of sons and daughters of those same settlers took employment in munition factories and other places, and for that reason they have been able to make payments on their father's farms; otherwise we would have an entirely different situation. It took another war to bring about prosperity so that a small percentage of the settlers could claim titles to their land.

I continue:

What is the new record of soldier settlers in meeting the terms of their agreements during the past few years? I set out below the official record, which furnishes factual evidence that soldier settlers generally are the kind of people I have always known them to be—honest, reliable citizens who believe in fair play and the payment of their honest obligations.

May I pause for a moment. I agree entirely with that. I believe those soldier settlers are honest to the last man, but I also believe that they were saddled with conditions, because of an improvised land scheme which made it impossible for them to live up to the terms of their contract.

I continue with the article:

1. In the fiscal year ending March 31, 1942, 7,314 soldier settlers had current instalments due totalling $1,039,050.75. Six thousand three hundred and four of these settlers paid $957,227.59 or 92 per cent of the current instalments due, and 1,504 of them made repayments of an additional $213,520.50.

2. In the fiscal year ending March 31, 1943, 6,860 soldier settlers had current instalments due totalling $983,103.54. Five thousand five hundred and fourteen of these settlers paid $841,110.25 or 85 per cent of the current instalments due, and 1,448 of them made prepayments to an additional $257,754.37.

3. In the fiscal year which ended March 31, 1944, 6,364 soldier settlers had current instalments due totalling $860,871.83. To February 1, of this year, 5,612 of these settlers had paid $991,508.04 or 115·7 per cent of the current instalments due, and 2,066 of them had made prepayments of an additional $443,619.39.

4. This record of performance means that soldier settlers are generally taking advantage of conditions and paying off their indebtedness. Since the outbreak of war, 1,528 of them have retired their loans in full and have secured the titles to their farms, and as time goes on the number will steadily increase.

I must give another fact that is not mentioned by the director in his article; that is, that a great deal of pressure has been applied on these settlers to make them pay up. A number of these men who have joined up for the second time, offering their all on the altar of sacrifice, as the result of an order in council have had to contribute a certain percentage of their dependents' allowance to be applied on their debt to the soldier settlement board. This may be denied once again as it was denied previously, on May 23. If that denial should be made this afternoon I should like to refer the minister to a particular case, M-42517, Corporal C. J. Lefley. I do not think the minister will take the trouble to investigate this case, however, because he will find that the result is against him. In this family there are eight children, six of whom are going to school and two of whom are too young to go to school. A short time ago their father was employed at the internment camp at Lethbridge, and $13 a month is being deducted from the dependents' allowance of that family to clear off the soldier settler's debt to the board. These things were not given to the country by the director, and I think it only fair that they should be mentioned now. I continue reading:

In the face of the above factual information, what is the logic behind the argument that soldier settlers of record to-day should have their contract indebtedness cancelled, which means in effect legislation into ownership? Do the sponsors of the petition believe that this would be the end of the matter? Do they think for a moment that those who have paid for their farms, and all those who are meeting the terms of their agreements in full and on time or are prepaying their agreements, would stand quietly by and make no demand for a refund? I have received direct assurances that such demands would be made.

In all the discussions I have had concerning this matter with soldier settlers and others I have met only two people, namely the Minister of Mines and Resources and the director, who have taken this stand. I question here the statement that a number of these men have stated that demands would be made for refunds. In order to obtain definite information I placed upon the order paper the following questions:

1. From January 1, 1943, to May 31, 1944, how many requests from, (a) organizations; (b) individuals, have been received by the Prime Minister, the Minister of Mines and Resources, the director of soldier settlement and Veterans' Land Act, or any other department of the government, asking that veterans of great war one who now hold land under contract with the soldier settlement board be given titles without further payments?

The answer given was:

(a) 10; (b) 186 soldier settlers—60 other individuals.

My second question, on which I had hoped to get some information, although I was not disappointed when I did not get it, was

2. During the same period, how many letters or other communications were received by the director or other departments of the government stating that if clear titles, as above requested, were granted, requests for refunds by those who have already paid up or are continuing to make payments, would be made?

In asking that question I desired to get the names and addresses of those who had made such representations, with the intention of writing those people and finding out if they had actually done so and, if so, what was the basis for their argument. The answer was:

No record maintained. Representations have been made in confidence to the director and members of his staff.

If that information is available it should be produced so that we may know what is being done. The third question was:

3. What are the names and addresses of those from whom such letters and communications have been received?

The answer is:

Answered by No. 2.

I believe that questionnaire will take care of itself. Now I read the last paragraph of this article, under the heading "No Change":

In conclusion I am authorized to say that the proposal is not deemed to be in the public interest and, consequently, it is not being entertained by the government. Therefore, the best advice I can offer to the soldier settlers concerned is to get into step with those who manifestly prefer securing title to their farms by complying with the terms of their agreements.

That information was given before the convention was held, and apparently before the minister and his committee had a chance to discuss the matter, so that I do not know whether the government is behind this. I hope not, because I am quite satisfied that a

very high percentage of the members of the cabinet are favourable to cleaning up the mistakes of the old soldier settlement board before embarking upon the new programme under the Veterans' Land Act. Two months ago to-day, on June 14, I went into this matter in detail and placed quite a number of figures on record. To-day I am going to use just a few of those figures. The total number of men settled after the last war was 25,017. The total amount advanced by the government was $109,034,331. The total amount of principal repaid, up to March 31, 1944, was $50,507,493.20 and the total interest paid to the same date was $25,381,060.13. That covered the payments by soldier settlers and civilians who later bought the land, I might add in a number of cases at much less than half the original price to the soldier settler. I believe this is sufficient to indicate that the men were settled on that land originally with a load they could never hope to carry under the conditions to which they were subjected. In the case of soldier settlers the principal cancelled, under five or six different schemes, was $24,867,637.64, and the interest cancelled amounted to $19,234,239.77. That made a total cancellation of principal and interest of $44,101,877.41.

The cost of administration—and this is of interest to the whole country and was not given by the director in his article in *The Legionary*—was $27,346,763.64, making a total including cancellation of principal and interest and administration of $71,442,641.05. At the end of March, 1944, which was the end of the last fiscal year, the soldier settlers owed the government $7,715,954.01. At that time, in spite of the figures given by the minister to-day in regard to arrears, and the figures mentioned by the director in his article in *The Legionary*, there were arrears on account of soldier settlers amounting to $1,054,269.30. At that time we had remaining on the land some 6,153 of these settlers. Here also, in spite of the figures given to-day by the minister, it is interesting to note that up to the end of March of this year only a little over 4,000 of these 25,017 settlers had obtained title to their land, so that the general picture is not nearly so bright as the minister would have the committee believe. At this time, twenty-five years after the inception of the scheme, we still have 6,153 of these settlers under contract with the settlement board. That is approximately twenty-five per cent of the original number of settlers after twenty-five years of persecution. The minister did admit on one occasion that the scheme was a hastily improvised one. I have claimed, and still claim, that the land, implements and stock were bought at highly inflated prices, and that grain and other products since that time have been down to all-time low prices. Yet the settlers were still expected to make payments, and live up to the terms of their contracts. The average original debt of the settlers was $4,358.40. At the end of March of this year we found that on an average they still owed $1,254, or twenty-nine per cent of the original amount. This is the figure, even after taking into consideration the cancellation of some $44,000,000. That is not a very bright picture. This amount of $1,254 is equal to approximately twenty-nine per cent of the original debt.

Another matter has not been touched upon before, one which I think I should mention at this time. I have in mind the soldiers who will come back from this war, and who will operate under the Veterans' Land Act. That soldier will have a grant of thirty-nine per cent of the total amount of his loan. I repeat that the soldier settler under the present Veterans' Land Act, if he takes full advantage of the legislation, will have a free grant of $2,320, which is equal to thirty-nine per cent of the amount of his loan. Under the old scheme there was no grant available, but we did have cancellations because of a faulty set-up.

I would ask the minister and the government to take these matters into consideration. I would also ask them to consider the fact that under the old act the settlers were charged five per cent on current loans and seven per cent on past-due accounts. So that in a very large percentage of cases the old soldier settlers from the first great war were paying twice the amount of interest that the veterans from this war will have to pay, because most of the payments of the old soldier settlers were in arrears.

I say to-day, as I said before, that 3½ per cent is still too high a rate. So that the veterans from the first great war were charged more than twice what they should have been charged. I do not know whether I should go much farther in this connection. I believe the government is well aware of all the conditions. After this article had been published in *The Legionary*, and after the writer had made this trip to the west coast, we find a committee was set up out there, and that that committee framed a resolution. The resolution did not come before the convention. I do not know why. There were, however, some other resolutions which I understand were left over. This is the resolution:

Whereas any civilian at the age of 70 years, and burnt-out veterans at the age of 60 years, are presumed to be past the age where they may be expected to be self-supporting;

And whereas settlers under the Soldier Settlement Act have in many cases been resident

on their holdings for a quarter of a century and are fast approaching the age when they will be incapable of self-support;

And whereas under the new land act the new veteran is only called upon to pay 3½ per cent interest, and after ten years' residence 25 per cent of his indebtedness is cancelled;

And whereas the soldier under the Soldier Settlement Act has had to pay, and is still paying 5 per cent interest;

Therefore be it resolved that, in order to be fair to our aging veterans and to bring the old and the new settlement acts more into line, the dominion government be asked to readjust the debts of the 6,153 original soldier settlers who have not paid for their lands, such readjustment to take into consideration the difference in interest rates charged under the said acts; and that following such readjustment the government be further asked to cancel the debts of those original soldier settlers whose debt has been, or may hereafter be, reduced to 25 per cent of the original purchase price or the reduced purchase price, and that the interest rate to such veterans be reduced to 3½ per cent.

This is signed by:

Mr. R. H. Inglis, Alberta,
Mr. B. V. Cameron, Ontario,
Mr. J. J. MacIntosh, N.S.
Mr. G. A. Lauman, Manitoba,
Mr. George Noble, Quebec,
Mr. A. C. Stewart, Saskatchewan,
Mr. H. W. Ellis, British Columbia.

And the footnote says:

The committee wish to thank the comrades whose names appear below for their assistance in framing this resolution:
Mr. A. J. Sibley, North Battleford, Saskatchewan.
Mr. F. C. Highfield, Grandview, Manitoba.
Mr. A. R. Elridge, Ladner, British Columbia.

The two former were members of the delegation which visited this house recently.

Some hon. MEMBERS: Carried.

Mr. FAIR: If these gentlemen are so anxious to have the item carried I would ask the Minister of Mines and Resources to rise and tell us now—because some day, sooner or later, by this or by some other government those debts will be cancelled. If he will rise and tell us now that these veterans are to have clear title, I shall sit down. Otherwise I have something further to say. I repeat that if the minister wishes to speak in reply, and say "yes," I shall sit down.

This is not, as some have been led to believe, the request of a few people around Saskatoon. On May 23, I tabled a petition signed by 12,500 residents of the four western provinces asking, among other things, that these clear titles be granted. That is not a local affair. Petitions were circulated in the four western provinces, and the expenses of the delegation that came here were made up by contributions of nickels and dimes.

Mr. CRERAR: I understand my hon. friend to state that the position was signed by 12,500 people. I am informed, and I think my information is correct, that there were less than 200 soldier settlers, people actually interested in the matter, who signed the petition.

Mr. FAIR: The effort was entirely a voluntary one. Good care was taken to see that these men did not settle where they could effect organization, with the result that it was not possible to reach a number of them. I think the minister realizes that the petition was circulated during the winter months, and that those in charge of the petition had no records with respect to soldier settlers. However, if he will be good enough at a later date to give me a list of those settlers I believe I can prove to him that more than ten per cent —perhaps more than ninety per cent—of those soldier settlers are interested in getting clear titles. The fact that not more than 200 signed the petition is no indication whatsoever of the number who are in favour, because if the petition was not presented to them their names could not be there. When those settlers go to a meeting they have to travel at their own expense. Sometimes they have to go by team and sleigh. They are not privileged, as are government officials, to travel at government expense, and to live in the best hotels in the country while doing government business.

I am making one final appeal to-day to the government, although I do not know whether there is any use in making it to the Minister of Mines and Resources, because he has told me that there will be so much complaint, and I know from his attitude that he will not see that those titles are granted. I am sorry he has taken that stand. I know he is familiar with conditions, from practical experience. I point out to him that the government is now about to embark upon another scheme connected with men coming back from this war who have offered their all on the altar of sacrifice. If the government is interested in the success of this new scheme, then I say, "For heaven's sake clean up the slums in the old one."

It will require $7,715,000 as at March 31 last to do this job. By doing that, the government will get away from the cost of administration, which cost has been so heavy in the past. Up to March 31 of last year are concerned ran up to $27,340,763. Those are millions of the taxpayers' money, including taxes paid by those same soldier settlers. And there will be plenty of taxes still to be administration costs as far as soldier settlers paid for the new programme. So that I am

sorry the government has not seen fit to take more interest in the soldier settlers from the last war. I might say here that those old settlers say that it does not make so much difference to them, because it is only a matter of time until they will be pushed off the land, or occupying their six feet of mother earth. But they are interested in the success of the scheme under the Veterans' Land Act. I would also ask the government, however, to give clear title, without any further delay.

Twenty-nine per cent of the original amount involved still remains unpaid, after deductions. A number of the settlers are too old to work the land, and they certainly have suffered plenty in the past. The conditions which caused that suffering are man-made. Why continue man-made conditions and persecutions of those people to-day? Low prices for goods sold and high prices for goods they had to buy were responsible for their condition and, as I have said before, that was a man-made condition.

The bright circumstances outlined by the minister are entirely due to war conditions, and the fact that sons and daughters of those veterans, who are working in munitions plants, or in the services, are sending home to their mothers and fathers the money they earn, so that the bailiff may not come around and put those old people out on the road—something which has been done before in a number of cases. In the interests of Canada, in the interests of the soldier settlers of great war one and in an effort to pay only part of our obligation to the veterans of the present war, I ask the government to grant clear titles to those who hold land under the old scheme. I am going to suggest also what I have suggested before. If this scheme is to be a success you must have at its head a sympathetic administrator, and I do not feel you have that to-day. If the government want to make a success of this, then I suggest that they take cognizance of what I have said this afternoon.

Mr. CASTLEDEN: The minister gave certain figures about payments this afternoon, but when he is answering the hon. member for Battle River I should like him to say how many foreclosures there have been in the past five years, particularly in the last year, and also how many men who settled on land were forced to give up. Sometimes their sons were able to take over, and sometimes they had to give up entirely. I want to know the number of cases where the soldier settler lost his equity between 1931 and 1940.

[Mr. Fair.]

I wish to endorse what the hon. member has said. As he has stated practically what I intended to say, it is not necessary for me to repeat. However, there are one or two observations I should like to make which bear out what he has said in regard to the attitude of the government toward these soldier settlers. If proper treatment had been granted to these people I think they would have lifted their burdens. The figures given this afternoon by the minister prove conclusively that these men wanted to pay their debts and clear their land. It was just utterly impossible for them to do so because they had no source of income.

The number of men who came back from the last war and lost their land is nothing less than tragic. I know of one community to which twenty-five young men came back after the last war to take up land. They put in everything they had; they worked and slaved long hours, but to-day only three remain on the land out of the twenty-five. In at least eighty per cent of the cases where men have been forced off the land it is nothing but pure tragedy because the government failed to recognize the human side of the problem.

It was treated as a straight business proposition: "We must have the interest; we must have the money paid back. You have made an agreement and although there is no crop, you are standing in arrears." That was always the story. The figures given by the hon. mmeber for Battle River prove conclusively that the old soldier settlement scheme was neither fair nor equitable. It was a failure so far as rehabilitating the soldiers of the last war was concerned. It did not recognize human values at all. It was a cold business proposition on the part of the government. It was simply a question of getting the interest and the money.

Adjustments were made, but they did not solve the problem for the men because they still had a pile of interest around their necks. The result of all this is that there are dozens of intensely bitter soldiers of the last war who have lost their equity after fighting and working for Canada. They are now approaching the latter years of their life and the tragedy of their position is a responsibility that the government will have to accept. Surely in the name of what is right those who are still on their land are entitled to clear titles. We would then stop all this constant bickering and fighting. It is true that some of those men were able to make their payments, but some of them had three or four sons to do the work for them while others had none. In most cases the sons were not paid at all.

By an order in council passed on March 19, 1941, the government gave power to the director of soldier settlement to take part of

the dependents' allowances from soldiers who had taken up soldier settlement board land. The order in council reads as follows:

Accordingly the board recommend that notwithstanding any provision to the contrary contained in any of the regulations providing for payment of dependents' or marriage allowances in respect of dependents' of members of the Canadian armed forces, that in all cases where the dependents of an enlisted person continue to occupy the farm for which such person is indebted to the director of soldier settlement and in respect of which the contract terms are not otherwise satisfactorily provided for, there may be deducted from the dependents' or marriage allowance amounts sufficient to provide for payment of taxes levied by the local taxing authority in respect of the property in question and interest accruing annually on indebtedness to the director of soldier settlement, such deductions to be made monthly and in no case to exceed $20 per month except with the consent of the dependents concerned.

The information that has come to me is that pressure was put on some of those dependents in a way that was not justified. The minister has probably received a copy of this, but I should like to refer him to two resolutions which were passed at the convention of the Canadian legion, British empire service league, held in Calgary from June 6 to 9. This reads as follows:

Report of Soldier Settlers' Committee

Your committee appointed to deal with soldier settlers' affairs has reviewed the many resolutions sent in by the various branches, dealing with settlers' affairs and we beg to submit the following resolutions dealing with same:

Resolution 1. Whereas the majority of original soldier settlers, who are still endeavouring to carry on under the soldier settlement scheme have now found it, owing to advanced years and the adverse conditions prevailing in agriculture, particularly the lack of parity prices, increasingly difficult to liquidate their indebtedness to the settlement board.

And whereas the settlers have struggled on through the years of drought conditions and low prices unprecedented in the agricultural history of this country and have now nothing to show for their years of toil and struggle but whatever equity they may have in the land which is liable to foreclosure.

Therefore be it resolved that we now petition the government to relieve the soldier settler of any further payments and that they be given the title deed to their land or, failing this, that a parliamentary committee in conjunction with representation from the dominion command of the Canadian legion, review the whole situation of the soldier settler with a view to alleviating their present financial difficulties.

Resolution 2. Whereas it has come to our notice that by order in council the soldier settlement board has been permitted to order deductions made from the pay and allowances of dependents of men now serving in the armed forces to be applied against land and taxes.

Therefore we ask that this order in council be rescinded immediately, and that any sums of money so deducted be refunded.

I would like to know the total deductions that have been made from dependents' allowances under that order in council. I have dozens of letters I could read citing actual experiences. There should be some clause whereby if a veteran comes back under the Veterans' Land Act there should be an adjustment so that he will have an equity on parity prices, and also there should be a crop failure clause to take care of interest and principal payments in years when there is no crop at all. Otherwise I am afraid that we shall have to look forward to a continuation of what we had after the last war.

I should also like an assurance that something else might be done to make this new scheme a success, namely, that provision should be made under the Veterans' Land Act so that these men who have fought together and who, we hope, will soon be coming back will be given an opportunity, if they so desire, of working together, under direction and after training, on a cooperative farm where they can pool their activities and each make his contribution according to his own ability. Some of these men are good cattle men; some are good mechanics; some are good field men. I would suggest that some such scheme be surveyed with a view to putting it to work, which would be a great improvement over what we had after the last war.

Mr. CRERAR: I might answer now one specific question asked by the hon. member for Yorkton. He referred to P.C. 138, passed in 1936, under which deductions might be made from allowances payable to dependents of the soldier who had enlisted. The number of those who voluntarily asked for a portion of the allowance to be applied on their obligations was 243.

Mr. CASTLEDEN: Soldiers or dependents?

Mr. CRERAR: Soldiers. The payments under these voluntary deductions amounted for the month of May, 1944, to $3,842. My hon. friend made some rather strong criticism of the arbitrary action, as he called it, of the government in compelling these people to give a portion of their allowance to the director of soldier settlement to meet their obligations. The total number of cases in which the deduction was made from the allowance for that purpose was thirty-eight, and the total amount collected in those thirty-eight cases in the month of May was $511.84. In some of those cases the people were living on the farm. I recall one case that came to my notice where the wife of the soldier was receiving on his behalf and on behalf of her children a dependent's allowance of $79 a month and she refused to pay a modest amount in taxes on

the place. It was then a case either of the government paying the taxes to prevent a tax sale or of letting the place go to a tax sale. I do not think anyone will say that the few dollars which were taken out of the $79 allowance that she was getting created a terrific hardship or was an evidence of a stony-hearted administration. That just does not add up to common sense. I wish to say right here that there was no case in which any hardship was imposed. All that was done was done in the interest of the soldier himself. There are people who, no matter how large an allowance of money they may be receiving, simply cannot spend it wisely.

Mr. CASTLEDEN: Does the minister suggest that the dependents' allowance in this case was too large?

Mr. CRERAR: Nothing of the kind.

Mr. CASTLEDEN: The minister said that a deduction was made from the allowance and that that created no hardship.

Mr. CRERAR: There was no hardship in this particular case. In addition to the $79 a month allowance that she was receiving, she rented the farm and got a revenue from that as well; she also got her own vegetables from the farm, and because a few dollars a month were deducted from her allowance to meet the obligations on the farm this administration is described by my hon. friend as wholly oblivious to humane considerations. I say that that just does not add up to common sense.

Mr. CASTLEDEN: The Legion in Calgary thought it was of sufficient importance to pass that resolution.

Mr. CRERAR: And the dominion Legion as a whole, having considered this matter and having had it before them frequently, passed no resolution about it.

Mr. HANSELL: What steps are being taken by the government to coordinate the post-war schemes under the Veterans' Land Act with the various schemes that may be undertaken by provincial governments? Have there been any negotiations between provincial governments and this government in that respect? What I have in mind is that the Alberta government have one of the finest land settlement schemes that have ever been offered to the soldier. Under that scheme a soldier is given what practically amounts to a gift of one-half section of land. He settles on it and for the first three years he pays nothing on it at all, not even the taxes. For the next seven years all he pays is one-eighth of his production, and if there is no production there is no payment due. At the end of that ten-year period he gets a clear title to the land. That is one of the greatest land settlement schemes that have ever been devised. I am wondering whether there have been any negotiations between this government and the provincial governments with a view to coordinating these different schemes. It may be that a soldier does not want to come under the Veterans' Land Act in its entirety, but he may want to come under a provincial scheme while still getting some little benefit from the scheme which the federal government is operating.

Mr. CRERAR: Discussions have taken place with officials of the provincial governments, and I have not the slightest doubt that we shall receive the full cooperation of every provincial government in this matter.

Mr. HANSELL: And vice versa?

Mr. CRERAR: Yes. We are grateful to the provinces for their assistance and for the advice of their technical men in regard to soil conditions and everything else entering into this scheme.

Mr. CASTLEDEN: I asked how many soldier settlers lost their equity through foreclosure or through turning over their land and becoming renters from 1931 to 1940.

Mr. CRERAR: I am sorry I have not that information. A great many of these people just got up and left their farms. I know of several cases of that in a certain district in Manitoba. If you include those, there would be a considerable number. But there were comparatively few cases where the settler left the land as the result of pressure put upon him by the department. In the great majority of cases they left and the department did not learn for months afterwards that they had left.

Mr. CASTLEDEN: There were originally 25,000 settlers. How many have now received clear title and have everything clear?

Mr. MACKENZIE (Vancouver Centre): My hon. friend asked the same question when veterans' affairs were dealt with by the house and I put the whole information on *Hansard*—

Mr. CASTLEDEN: That was a year ago.

Mr. MACKENZIE (Vancouver Centre): —absolutely in detail. My hon. friend had left the chamber before I had an opportunity of answering him.

An hon. MEMBER: It was this session.

The CHAIRMAN: Shall the item carry?

Mr. FAIR: Before we leave this matter am I to understand that the minister is not going to answer any questions I have asked or any statements I have made?

Mr. CRERAR: I told my hon. friend that a delegation of ex-soldiers had waited on a committee of the cabinet and that their representations will in the near future receive full consideration. Until they have received the consideration of the committee and of the government I am unable to say what the final action will be. I have stated that at least three times and I hope I shall not have to state it again. For the information of the committee I gave certain additional facts on the payments that had been made over the last five years for the number of soldier settlers who had received title. It is a matter for warm congratulation that these men have made the payments they have and that in that period over a million and a quarter dollars have been prepaid voluntarily, not asked for by the department. I do not think there is further information to give.

Mr. GRAYDON: I take it that consideration will be given by the government to the representations made by the soldier settlers?

Mr. CRERAR: Certainly.

Mr. GRAYDON: May I join with my hon. friends to the left who have spoken on this matter and express the hope that sympathetic consideration will be given so far as the settlers' claims are concerned.

Item agreed to.

At seven o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. CRERAR: I move that the committee rise, report progress, and ask leave to sit again this day.

Progress reported.

THE ROYAL ASSENT

Mr. SPEAKER: I have the honour to inform the house that I have received the following communication:

Government House,
Ottawa, August 14, 1944.

Sir:—I have the honour to inform you that the Hon. Thibaudeau Rinfret, Chief Justice of Canada, acting as deputy of His Excelleny the Governor General, will proceed to the Senate chamber to-day, Monday, August 14, at 10.30 p.m., for the purpose of giving the royal assent to certain bills.

I have the honour to be,
Sir,
Your obedient servant,
A. L. Redfern,
Secretary to the Governor General.

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PRIVILEGE—MR. POULIOT

REFERENCE TO MR. LACROIX, FORMER MEMBER FOR BEAUCE

Mr. POULIOT: Mr. Speaker, I rise to a question of privilege. During the last election campaign in the province of Quebec a newspaper in an otherwise excellent report of a meeting stated that I had mentioned a letter from the Clerk of the House of Commons to the effect that the former member for Beauce had not said a word during this session from the month of January to the time of his resignation. I never mentioned the Clerk of the House, but I have a letter in my possession which I can show to any hon. member to that effect.

The point I am making, sir, is that I have already given a question to the Clerk of the House asking if the then member for Beauce had spoken once during this session. This is a matter of public information and public interest. That question has not been put on the order paper or on the *Votes and Proceedings*. My submission is that I took every precaution to get the information. I went to the *Hansard* office and checked the index which is made by an expert staff. There was nothing in the name of the hon. member for Beauce. My contention is that it is not only my right but my duty to inform the electors of Beauce and of the country at large that that great defender of the throne and the altar had not said a word in debate or discussion from the month of January until he resigned in July.

Mr. CRERAR: I would ask that we revert to motions for a moment, Mr. Speaker.

BANKING AND COMMERCE

CONCURRENCE IN ELEVENTH REPORT OF STANDING COMMITTEE

Mr. G. J. McILRAITH (Ottawa West for Mr. Moore) presented the eleventh report of the standing committee on banking and commerce, and moved that the report be concurred in.

Mr. GRAYDON: May I ask if this is the usual form of a report of this kind?

Mr. MACKENZIE (Vancouver Centre): As a member of the 1934 committee I can assure my hon. friend that this is the same procedure as was adopted with respect to the report of that committee.

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Before this motion carries, I have to bring to the attention of the house this fact. The banking and commerce committee

concluded its sittings immediately after the provincial election was over in Alberta. It might be a pure coincidence, I do not know, but it is a chronological fact that anyone can observe. Besides that, sir, with all due respect to everybody, I think that in these times when we are preaching thrift and economy of paper I cannot see why we are printing again the reports of a committee which has been absolutely useless. It has been a picayune discussion from beginning to end. I do not see why intelligent men have been arguing during the whole session on the supposed hidden reserves of banks when they knew very well that the trouble does not lie with hidden reserves. "Hidden" is not the proper word. These reserves were not hidden because they were familiar to the Minister of Finance. What is wrong in our finance; what is wrong in the finance of the United States—

Mr. SPEAKER: Order. The motion is that the report of the committee be concurred in. I hope the hon. gentleman is not going to go into the whole subject of finance.

Mr. POULIOT: It is elementary that I have the right to do that. I did that when the report of the civil service committee was brought in. If there is a time when we have a right to discuss what has been argued by a committee it is precisely when the committee, which is just a gathering of a few members of the house who have been appointed to study the matter of banking for the house, report to us. We are the judges. They are there to do the work which is assigned to them by the House of Commons.

Mr. MACKENZIE (Vancouver Centre): I rise to a point of order. As I understand the report, sir—I may be in error—it asks for permission of this house to have the proceedings printed. If that is so, it does not raise any question of policy or any question of dispute or the various disputations before the committee this session. It is purely a matter of printing or not printing the proceedings.

Mr. POULIOT: I shall give reasons why this report should not be printed, but should go right away to the waste-paper basket. I am telling the house, sir, that the report of this committee is childish, that the work of the committee was childish from the start. They were arguing like children when everybody knew where the trouble lay. What is the trouble with Canadian finance? The trouble we have now with banking is precisely that of international finance which has been denounced in the United States. Canadian companies have been denounced by the attorney general of the United States and here we are discussing hidden reserves of the banks. The hidden reserves are a matter of a few millions while the debt created this year amounts to billions of dollars, and this is the work that serious members of parliament have done during the whole session. I know they have worked hard, but they have not worked any harder than members who were working on the election after Bennett was thrown out of power.

Hon. members worked for one whole session, if not two sessions, keeping at it day and night in order to improve the election act, but what did they do? They took the old one, after a year and a half or two years of work. The work done by the banking and commerce committee of this house this session is perfectly useless; it is childish. As one who had to fight with the potentates and pontiffs of finance in years gone by, when I had to denounce them in the caucus room—so much so that the day I told one of them to swallow what he had said about me he had a fit—I denounce the work of that committee. Now one of them is the boss of finance in this country and he holds the strings of international finance in his hands; yes, and he is not far from me now. He runs the whole show.

I submit, Mr. Speaker, that that committee should be instructed to reconsider its report, to make a new study of the matter in the light of what has been said privately by some of its members. Then its work will be useful to the country, because the Canadian people will know what is bad about finance. I do not mean to say that all banks are bad; not at all. Some banks are run in an honest way; but we see the president of one bank, who was chairman of the victory loan committee, becomes associated with the C.I.L. and then get away from the victory loan organization because he is too busy to look after that work; he is too busy sitting on the board of C.I.L. He takes advantage of the credit he got for the work he did in organizing the victory loan campaign, and now he sits on the board of C.I.L. to protect them. Against what? Against arrest? Against what has been done in the United States? Everybody knows this; it is in the press, so that I am not telling anything new. I am fed up with this situation. We must get to the bottom of it, and then we shall see that the marrow is rotten.

Mr. S. H. KNOWLES (Winnipeg North Centre): I realize that we are not in committee, but perhaps someone can answer this question. Does the motion call for the

printing of the report only, or for the printing of all the evidence taken before the committee?

Mr. McILRAITH: Yes, all the evidence.

Mr. KNOWLES: Then in spite of the fact that the previous speaker has said there may be a great deal of piffle in the material, there is also a great deal that is worth while. In previous years I have had a good many requests for copies of the evidence taken by that committee when those copies have not been available, so that it seems to me desirable that this material should be in printed form.

Mr. E. G. HANSELL (Macleod): I do not agree with the hon. member for Témiscouata (Mr. Pouliot) that this evidence should not be printed. I believe that a great deal of very valuable information can be given the country by having the proceedings printed and made available. One valuable purpose that may be served is this. We can show how the Progressive Conservative party played its part by recommending in that committee anything that was progressive. If ever there was a chance in Canada for a party with the distinction of the Progressive Conservative party really to tell this country they were going places in the matter of reform, it was in the banking and commerce committee. But when the Canadian people read this report they will discover that it is the same old Conservative party with another name added.

Motion agreed to.

Mr. POULIOT: On division.

SUPPLY

The house in committee of supply, Mr. Bradette in the chair.

DEPARTMENT OF TRADE AND COMMERCE

571. Departmental administration — further amount required, $2,000.

Mr. GRAYDON: Has the minister any comment to make in regard to the matter which I mentioned while the Prime Minister was piloting his external affairs estimates through the committee this morning? At that time I referred to an editorial in the *Financial Post* which called for some integration and planning in relation to our foreign representation with respect to both the usual matters of external affairs and matters of trade and commerce. I believe the minister was in the committee at the time I made my remarks, and I wondered if he had any further comment to make.

Mr. MacKINNON (Edmonton West): I listened carefully to the answer given the leader of the opposition by the Prime Minister, and I do not think I can add anything to that statement. It was made after very careful consideration of the whole problem, extending over many months, by a committee consisting of three officials of the Department of Trade and Commerce and three officials of the Department of External Affairs, as the Prime Minister pointed out. I believe the report was unanimous on the part of officials of the two departments, and naturally I am fully in accord with the statement made by the Prime Minister.

Item agreed to.

573. Commercial intelligence service—further amount required, $38,000.

Mr. POULIOT: In our dealings with other countries, especially Mexico and the countries of South America, we should not forget the patriotism that is burning in the hearts of those people. If we want to make a success of our trade with Mexico and South America, and even the West Indies, we should go there by ourselves, entirely independent of the United States. Canada should go there as mistress of her own destiny. Of course it is a good thing to be on the best possible terms with our neighbours to the south, but on the other hand they must never become the guardians of Canada. If we come under the tutelage of the United States in our dealings with other countries we shall share the animosity felt toward that country by various other peoples. There are reasons for that. Do you know, Mr. Chairman, that in the United States embassy in Mexico there are nine hundred people, and that it is impossible to secure travel priority even from one South American country to another without the permission of United States authorities. Therefore it is of the utmost importance that any propaganda we disseminate in other countries should be carried on in the name of Canada alone, as a country which is commercially independent. Once before in this session I emphasized the importance of commercial independence for Canada. We should be commercially independent of all other countries, without any exceptions, to fight our way ahead in trading on all the markets of the world. I will not insist more upon that, but I notice at this date—the most important day of the session—few remaining members of the Bloc Populaire of Quebec are shining by their presence while we are fighting the fight

of the people. They were never here, and when they were here it was just the same as if they were non-existent.

Item agreed to.

DEPARTMENT OF PENSIONS AND NATIONAL HEALTH

195. Departmental administration, $161,172.

Mr. POULIOT: Well, sir, I will tell the minister again what I have told him before, that I have the highest possible regard for him. He is one of the two or three most likable ministers in the cabinet. I say that with a great deal of pleasure.

On the other hand, how is it that last year the minister wrote me that Charlet would have his pension? He wrote that in August of last year—a year ago. He has received a small amount, but it is impossible for the returned man to get a proper pension from the Department of Pensions and National Health. I want the staff to be changed, from the deputy minister down. I have asked that before, and I ask it now, when they are in the house. I want a change of personnel in that department, so that the returned men may have justice.

I have been fighting for this man who came to me the other day and asked me to endorse a note. I am a poor man. A large part of my indemnity goes for the payment of taxes. We have no other source of revenue. I would like to be rich. I would like to be able to give money to those poor men, but it is not my duty to do that. It is the duty of the department. There is no excuse, when a man is entitled to a pension, according to the word of the minister, that this man should not receive a pension. I had to write a letter for this man, and address it to the bank manager, so that he might renew this man's small note.

How is it that it is impossible to get satisfaction from the commissioner? To-day I wrote a letter to the minister complaining about the information he has received from his officials regarding the case of a man suffering from a heart ailment. Afterwards this case was rearranged by the chairman of the board. When I brought this matter to the minister's attention for the first time he told me that this man had been examined by the army and that the case should be placed before the Department of National Defence.

But now it is not that, at all. It is a case where this man is refused a pension because of wrong information given to the Minister of Pensions and National Health by his officials, after consultation with the guilty parties—those who are responsible for the fact that this man was not looked after and that he died without the assistance either of a chaplain or a doctor. It is a very sad case. It is a case with which the parliamentary assistant to the Minister of National Defence is familiar. My letter will probably be transcribed to-morrow. But in that letter I told the Minister of Pensions and National Health that the thing he should do would be to get in touch by telephone or otherwise with the parliamentary assistant to the Minister of National Defence, so as to get a true picture of this very sad case.

I have been fighting for the draftees, and I fight also for the soldiers. It is absurd that a member of parliament should have to give so much time to cases which are as clear as crystal water, and which should be decided favourably. How is it that the officials of the Department of Pensions and National Health find it so hard to understand, when these are typical cases of men who are wholly deserving of pensions? I think there should be a change. It took twelve months, and in the meantime legislation has been passed.

I have given credit to the minister, because some cases have been settled satisfactorily for the men. That is why I was pleased to say a good word for him. It is most unpleasant to say disagreeable things in the house all the time. It is much more satisfactory to speak otherwise, when occasion arises, and to say things which are pleasant, when one is satisfied that things are working well. But there must be a fate attached to certain deserving cases when the men cannot secure the pensions to which they are entitled.

This case of Charlet is a case with which the minister must be familiar. This man received a small amount the other day, but the amount of pension is not yet settled. I hope the minister will give definite instructions to have it settled. Otherwise I shall stick to this case, and he may be sure that I will bring down the file and read it—and it is a big one—for the edification of members.

It is a strange thing; there is a man who is a high official in the department, a man who is supposed to be infallible and whose word is all-powerful. He gets more important according to the size of his staff. Naturally the deputy minister is the big boss in the department, because he has all the department around him—all the boys who smoke, and all the girls who knit. They are all around him to give him more power. But when it comes to the case of a poor fellow who has been badly wounded in an accident, and who is entitled to redress of his wrongs at the hands

of the state, how is it that Jean-François Pouliot has to repeat the same thing so often in the House of Commons, without succeeding to make himself heard by the officials of the department?

I do not complain about the kind of correspondence I have received from the minister, because it is the finest of its kind. I do not complain about the style of it, but I regret that he is wrongly informed. I regret that he does not fire those who have been appointed as deputy heads in his department by R. B. Bennett.

When I must choose between the poor devil who has been wounded while serving his country and the big and powerful man who earns a big salary, I choose the weaker one. I choose the little soldier, and I fight for him because he is alone. The big man has the whole government to fight for him; he is all-powerful, because he has a big salary, one which amounts to several times the pension asked by the poor devil, who will not get it.

How many pensions were granted to men who were undeserving of them between 1919 and 1935? During this war we have had to fight to the utmost to get for those humble men who have been wounded in service what they are entitled to, according to the law—not the new law, but the old law which has been in existence since the last war. It is impossible to get justice for these men. We should fire the big ones; we should help the small ones and they should be helped right away. Why wait so long? Why say that we will wait for the benefits under the new legislation? There is the legislation which is in force and which could protect those poor devils who have been wounded, which should protect the mothers of dead soldiers, which should protect the wives and children of soldiers. Why not apply it now?

If the new legislation which is supposed to accomplish such marvellous things is enforced in the same way as the old legislation has been, no returned man will get any benefits from it. There is the case of Charles Pelletier, which I have mentioned. There are many others I could deal with, but I shall not impose on the committee to-night. These are cases of soldiers who have been wounded and who have written to me to ask that their wrongs and grievances be redressed. It is not a pleasure for me to do this; it is my duty and I do it now. I hope I shall have a satisfactory answer in connection with this young man who has been entitled to a pension since August of last year according to the word of the minister himself.

Then there is the case of Philippe Beaubien, one of the most shameful cases that occurred in Lauzon camp in Quebec city. In that case I asked the minister of pensions to see to it that a pension was awarded to the mother. I ask that this wrong be redressed by firing those who have been so criminally negligent. I know the feeling of members and I am not going to impose on the committee which has been most kind to me. However, these are things that cannot be left over. This is the time to discuss them; it is our duty to discuss them and I will fight for them as much as I can.

Mr. MACKENZIE (Vancouver Centre): Mr. Chairman, I wish to deal quietly with some of the observations of the hon. member for Témiscouata. I have not seen him here for the last three weeks. On frequent occasions he has submitted to me a list of twenty cases which I have personally investigated with the utmost sympathy and, if I may say so without any suggestion of boastfulness, some knowledge of pensions procedure extending over some thirty years. I may say that I want to vindicate the judgment of the pensions committee in every single case that was brought to my attention.

When my hon. friend suggests that there is any lack of human sympathy among those men I want to tell him that they are all men who fought with valour and distinction for their country in the former war. Six of the eight enlisted as private soldiers and fought as private soldiers. If any body of men in the Dominion of Canada would have sympathy and kindliness toward those claimants who come before them, it is the present members of the Canadian pension commission.

I wish to say a word also about the deputy minister. He also is a returned soldier who fought with great distinction in the last war. I have been in the department for only four years, but I must say about my deputy minister that I have never had from him anything but the utmost human kindliness and sympathy toward the case of the returned man. That is the situation with regard to my deputy and the Canadian pension commissioners.

They are all returned soldiers just the same as certain members in all parties in the house. Whenever they are able under the regulations and under the statutes which this parliament has passed during the last twenty-five years to give the benefit of the doubt to the returned soldier, that is done. Why should they not? He is one of their comrades and that is their duty. I must protest against anyone coming up with these observations and animadversions and casting missiles of malice around this chamber at those whose duty it is to serve their comrades.

Mr. POULIOT: I rise to a question of privilege. I did not throw any missiles of malice. That is not one of my defects, and I may have many. It is forbidden by the rules to impute motives to a member of parliament. I have treated the minister as my colleague, and he has no reason whatever to impute motives to the member for Temiscouata when he is fighting the case of the underdog. He may praise his deputy as much as he likes because that is his business, but he has no right according to the rules to cast aspersions on any member. I think I am far from being touchy, but I submit that the hon. member is infringing the rules by saying that I am casting missiles of malice at any one. I did not do that to the minister and I did not do it to his deputy. We are free to hold our own opinions, but I was not inspired by malice of any one when I made my observations and I ask the minister to withdraw what he has said.

The CHAIRMAN: I do not see any point of order. There certainly is some rule that a member of the government's service should not be attacked on the floor of the House of Commons because it is not possible for him to defend himself. In this case the minister was defending some of his officials in his own department, and I do not think there is any point of order.

Mr. POULIOT: He was sheltering them.

The CHAIRMAN: I was not sheltering any one.

Mr. POULIOT: Not you, he.

Mr. KNOWLES: I shall not take the time to cast any compliments or brickbats at the minister because I think he has had his full quota of both this year, if not during the past few days, but there are two or three matters I should like to bring to his attention on the floor of this chamber. May I say that I regret that some of the matters I have to raise at this time concern individuals, but the only reason why I express my regret is that I know some hon. members object to our doing it. But these people are Canadian citizens, and they have asked specifically over a period of many months that their cases be raised in the high court of parliament because they feel they have not been dealt with as they should have been. I am sure the minister, the members of the government and all hon. members will agree that one of the principles of this parliament is that the case of the lowliest citizen in the land can be brought up for discussion here and for redress if it is possible to achieve it. Unfortunately these matters come up at a late time, but when the appropriate item is called is the proper time for such a discussion, whether it be the first or the last day of the session.

First, I should like to direct the attention of the minister to a case which has been brought to his attention frequently over a period of several years. This is the case of Miss Mary Turnbull of McMunn, Manitoba, in the constituency of the hon. member for Springfield, who among others has brought the matter to the attention of the minister and of the Prime Minister as well. This woman is the daughter of the late Acting Corporal John Turnbull, whose number was 859730. Miss Turnbull's father was a one hundred per cent pensioner for a period of many years. His illness was quite serious; in fact it affected him mentally. The result was that he was a very difficult patient to care for. He lived in an out-of-the-way place in Manitoba where his daughter cared for him over a period of a good many years. There is evidence which seems incontrovertible to me that her health was seriously impaired by the difficulties which she encountered in caring for her father during all those years. That his condition was attributable to war service was fully established by the fact that he was a one hundred per cent pensioner. I would say further that her claim to some consideration is supported by the fact that at the time of her father's death the balance owing to him was paid to her, and in addition she later was given a compassionate grant of $100. The information that I have in connection with that compassionate grant is that it was given without prejudice, but nevertheless it was given. The correspondence I have had, as well as other members, with the minister has brought out the technicality that this lady was not incapacitated before she reached the age of twenty-one. Apparently that is the technicality on the basis of which the commission finds it impossible to make any grant to Miss Turnbull.

Mr. MACKENZIE (Vancouver Centre): Was the grant made by the Canadian pension commission or from the Scott fund?

Mr. KNOWLES: I will read from the minister's letter to me dated January 22, 1943, with respect to the $100 grant:

> She was also subsequently given a compassionate grant of $100, which was not intended as a payment to her for looking after her father as it is not the view of the commission that the state is under any obligation to pay children for looking after their parents.

I may say further that the most recent bit of material that has come into Miss Turnbull's

hands is a recent issue of "Canada at War," in which she finds this sentence in reference to disability pensioners:

An additional attendance allowance for those needing the care of an attendant may be paid up to the sum of $750 a year.

Of course that is the present legislation. But the minister will appreciate the feeling of a woman in this position when she realizes that this kind of thing is being done now. When we are passing bills involving the expenditure of a good many hundreds of millions of dollars she cannot help feeling keenly that there is nothing for her after she has discharged not only her responsibility as a daughter to her father, but a responsibility for the country which he had served. For a good many years she took care of her father whose life was ruined by war service. Her own physical condition is impaired because of what she has done, and she feels that she has not been dealt with rightly because she has been simply told that technicalities stand in her way. She has also been told by the minister and by the Prime Minister that cases of her kind would be given consideration when amendments to the Pension Act were being drafted, but she has discovered that she has to wait a long while for any such changes to be drafted.

I appreciate what the minister said a few minutes ago in answer to the hon. member for Témiscouata that the members of the Canadian pension commission do their best within the regulations. We who are members of parliament and have some idea about laws and regulations can understand that, but it is a pretty cold answer to the woman herself, as it is to others in similar situations.

Mr. MACKENZIE (Vancouver Centre): It was not meant to be cold.

Mr. KNOWLES: It simply means no.

Mr. MACKENZIE (Vancouver Centre): I shall be glad to review that case at once.

Mr. KNOWLES: I am very glad to have that assurance from the minister. That was my point in raising this case even on this last night of the session. The minister has had the case before him a good many times, but I earnestly hope that in considering it further he will give as sympathetic and as favourable a decision as he possibly can.

Another case that I have been specifically asked to raise on the understanding that some people in this country have—and I say rightly so—that parliament is a high court where the grievances of a citizen can be discussed, is that of a wife of a soldier whose name I will not give but whose pension number is 104512. This is a case where the soldier is still living and is in Deer Lodge hospital. His case is bordering on the mental, if not a mental case. There was a separation between the husband and the wife back in the late twenties or in the early thirties. My view about this separation, as about many other separations that have come to my attention, is that it was attributable to the war. The kind of experience that men went through made them in some instances, one might as well admit, difficult for their wives to live with, or impossible for them to live with their wives, and there have been many troubles of this kind. In fact I have had instances somewhat similar to it of widows of veterans who have died to which Colonel Carmichael of the war veterans' allowance board has given favourable consideration. It is because there has been such favourable consideration given there that I mention this case, although it is slightly different because in this case the soldier is still living.

Although there was that separation the time came, about 1934, when by a court order the conjugal rights of the wife were restored to her. That was done by the court of appeal of Manitoba on November 12, 1934. In the meantime, unfortunately, the soldier had been admitted to Deer Lodge hospital less than a month before, on October 18, 1934. He has been in Deer Lodge hospital ever since. His condition is quite poor, bordering, as I have said, on a mental condition. The minister will notice, therefore, that it has been impossible for this man and wife to live together since the date of the court order. There again a technicality stands in the way. The regulations say that a wife in these circumstances can be given consideration only if husband and wife actually reside together. It seems to me that under these circumstances an effort should be made by the minister to find some way whereby the spirit at least of the law might be interpreted in favour of the wife.

There has been some recognition of the validity of the case because in the first instance the wife had nothing to live on, and in due course she was awarded five dollars a month, which was the pension that had been awarded to the soldier. The commission agreed to pay it to her. Later, after I came into the picture and began this voluminous file of correspondence that I have in my hand, that five dollars was raised to twenty dollars a month. The consequence was that this lady was able to go off Winnipeg city relief, which she was very happy to do, having a bit of commendable pride. But she finds herself now with a total income of only twenty dollars a month, which is less than she was receiving before when she received the pension of five dollars and city relief. It seems to me that it ought

to be possible to pay a woman in such circumstances at least the $30.41, which is the amount paid to veterans' widows. In fact it has been suggested to her that if her husband were to die she might come into that category. That is a most unfortunate suggestion to have to make to a person, and accordingly I urge the minister to give favourable consideration to this case. I take it the minister's silence gives consent.

Mr. MACKENZIE (Vancouver Centre): I am listening very carefully to my hon. friend.

The CHAIRMAN: I do not think that particular cases should be discussed when the minister shows his willingness to deal with these matters collectively.

Mr. KNOWLES: I assure you, Mr. Chairman, I am not going to take up much time. I do not wish to argue the point with you, but I suggest that this is in order under the item. This is the last night. If this matter had come on three months ago there would have been no argument on the point.

Mr. MACKENZIE (Vancouver Centre): This is the third time I have been before the house this session.

Mr. KNOWLES: Not under departmental administration, civil estimates. This is the first time these estimates have been called this year.

Mr. MACKENZIE (Vancouver Centre): I am not objecting.

Mr. MITCHELL: Why not argue on principles rather than individual cases?

Mr. KNOWLES: The principle underlying this, if the Minister of Labour wishes an answer, is that in these cases the department should not take the regulations as they stand as something final but should realize what these technical rejections mean to the people concerned, and should find a way of taking care of such deserving cases. However, this is the last of specific cases I will mention. This time it is a soldier of this war. I will give the number, 28222. In this instance the matter has been brought to the attention of the minister on several occasions by the hon. member for York South (Mr. Noseworthy). I raise it in his absence. In fact, it is the case which he mentioned in the house one night as a sample of something that ought to have been done without the intervention of a member, but which was taken care of after he brought it to the attention of the late General McDonald, who was formerly chairman of the pension commission. This is the situation with respect to this case, and the minister can look it up from the number I have given him. Pension was finally granted at a late date and it was made effective from May 1, 1942, which made it retroactive for a considerable period; but lately, within the past week or so, the pension has been discontinued.

Mr. MACKENZIE (Vancouver Centre): May I have the number?

Mr. KNOWLES: I will repeat it: 28222. It has been discontinued on a technical ground. The man's condition is quite serious —the case is one of tuberculosis—and he is in a very serious plight. The secretary of my colleague the hon. member for York South has been in touch with the commission by telephone but without a great deal of satisfaction. So much has been done in this case, and so many things have been pointed out in regard to the justice of it, that I hope the minister will give it immediate consideration.

May I deal with one other matter. I said once before, when we were on another item, the civil service superannuation act, I believe, that I had received a number of briefs from and on behalf of the non-medical employees of the staff of Deer Lodge hospital, Winnipeg.

Mr. MACKENZIE (Vancouver Centre): Those would be orderlies?

Mr. KNOWLES: Yes, and people in similar categories. I will not go into the long list of grievances presented because I am sure these briefs must have been presented to the minister as well.

Mr. MACKENZIE (Vancouver Centre): Yes.

Mr. KNOWLES: I hope he will give consideration to them.

Mr. MACKENZIE (Vancouver Centre): That has been done.

Mr. KNOWLES: There were two main matters, one with respect to superannuation. I dare to hope that those problems have been taken care of by the recent superannuation legislation. Some are temporary permanents and people of that class. One sentence will give an idea of the kind of complaint they make. I quote:

> Older employees are called upon to train newcomers whilst being classed as unsuitable for promotion.

That is a sample of the grievances which these people have.

Mr. MACKENZIE (Vancouver Centre): That is one of the biggest disappointments in our department.

Mr. KNOWLES: What does the minister mean by that?

Mr. MACKENZIE (Vancouver Centre): Well, we have been trying for three years to get it remedied and we are on the eve of attaining that end.

Mr. KNOWLES: Am I right in assuming that the minister has received all these briefs?

Mr. MACKENZIE (Vancouver Centre): Yes.

Mr. KNOWLES: And that they are being given attention?

Mr. MACKENZIE (Vancouver Centre): Yes, indeed.

Mr. KNOWLES: And they will continue to receive attention?

Mr. MACKENZIE (Vancouver Centre): I think I shall succeed.

Mr. KNOWLES: I am glad to hear that.

Mr. POULIOT: Will the minister be good enough to revise the case of Charpentier and telephone to the parliamentary assistant to the Minister of National Defence with regard to the case Beaulieu?

Mr. MACKENZIE (Vancouver Centre): I shall be only too happy to do anything I can in the service in which I am engaged.

Mr. POULIOT: I thank the minister and I appreciate what he has done. When I speak as I have done I want to inform him that my only purpose is to bring to the attention of the committee some of the most deserving cases. I have not the time to bother about this or that individual. I want justice to prevail in the land and I want those who are in the army or have been in the army to be treated with fairness and justice and in a way that is satisfactory to them, which will bring in the social order that we hear so much about. But we shall get that only by looking after individual cases. We cannot help the soldiers by talking in the abstract; each man should have direct and immediate assistance. I thank the minister for what he has said. I appreciate it, and I will write to him again in regard to these cases. I hope that, as he has done in the past in some other cases, he will see that justice is done in the matter.

Item agreed to.

198. War veterans' allowance board, $169,771.

Mr. GRAYDON: I have had some correspondence from a person in New Brunswick who is interested in the extension of the terms and privileges of the War Veterans' Allowance Act. I raise this question largely because my correspondent has brought it to my attention. Has the minister considered the extension of the privileges under that act to those who have served not only in an actual theatre of war, which is the usual description, but in England or Canada as well? I will not pursue the matter further at the moment. I leave with the minister the suggestion that has come from my correspondent and perhaps when the time comes he will consider it in connection with prospective amendments to the War Veterans' Allowance Act.

Mr. MACKENZIE (Vancouver Centre): I can assure my hon. friend I shall pay particular attention to the observations he has just made.

Item agreed to.

Mobilization branch—

199. Branch administration, $62,039.

Mr. CASTLEDEN: With regard to hospitalization other than at the larger centres where veterans are treated, what has the department in mind in connection with the use of local hospitals? In some cases the physicians are faced with an increase in the number of patients and they are becoming greatly concerned about their ability to provide the service which they anticipate on the return of the soldiers. Would the minister mind giving us a statement on the policy and what they intend to do?

Mr. MACKENZIE (Vancouver Centre): In the last year the policy has been to identify the work more closely with local hospitals, especially in the smaller centres. One of the complaints we had in the Department of Pensions and National Health before I was identified with the department was that boys who were in local centres in the interior of the province had to come down to a coastal city or to the great centres of population in the provinces for hospitalization and treatment. So far as we can we are limiting that except for scientific and medical reasons where the case is more serious and we have to obtain the services of qualified specialists. We have developed as much as we can the assistance and encouragement of local centre treatment.

Mr. CASTLEDEN: Are you doing anything in the way of granting assistance to such hospitals to enlarge their accommodation?

Mr. MACKENZIE (Vancouver Centre): No, not in every case. That is one of the difficult problems. We have done that provincially; we have not done it locally. We have done it in Edmonton, in Regina and in Ottawa by building a wing or a pavilion wing adjacent to very fine hospitals in each case where we have the benefit of the services of brilliant medical and surgical experts. That policy may be extended. In addition to that, of course, we

have ten or twelve major hospitals of our own which are being vastly extended. In addition to that we are building two of the biggest hospitals in Canada, the Sunnybrook in Toronto and the Currie hospital in Montreal. They will be two magnificent hospitals when finished.

Item agreed to.

Direct payments to veterans and dependents—
207. Widows' compassionate allowances to be paid under terms and conditions approved by the governor in council, $600,000.

Mr. KNOWLES: The minister knows that this is another item that many of us in this house—I speak not only for myself—have been waiting for for many months during the present session, the item under which a grant is made to widows of veterans of the last war who died with a pension of fifty per cent or less. The first provision of something for those widows was made by a special vote last year to the amount of $20 a month, or in special cases up to $25. Under certain orders in council passed later that amount was raised this year to a maximum of $30.41 per month. A long battle was carried on by members of this house before I came here, and I have been glad to join in it. I am pleased that a start has been made. But I hope that the minister does not think that it is just a theme song on our part, when I say that the government really has not gone far enough.

May I ask this question: has the government given favourable consideration to the requests that were made following a meeting of the dominion council of the non-pensioned widows of great war veterans, held in Ottawa in the early part of March of this year? The requests made to the minister at that time were several. Perhaps I can state them briefly. They were, first, that the eligible age be reduced to fifty; second, that the allowance be paid to widows of veterans in this category irrespective of the place of service of the veteran. The point at issue there is the plight of the widow whose husband in the last war, shall we say, got to England and wanted to go to France but did not get there. It does seem most unfair to women in that position. The third request is that the amount be raised to $40 per month. Here again when these women realize the amount of money that we are able to find for other worthy objects, when they learn of the increasing acceptance of the concept of social security, they find it difficult to understand why they should be asked to exist on $30.41 per month. Remember that many of these women are in the age bracket of fifty-five to sixty, because the allowance starts at the age of fifty-five, and it is very hard for them to carry on on that amount.

The fourth recommendation is free hospitalization. The fifth has to do with a change respecting dependent children of such widows who at the present time are receiving allowances from provincial mothers' allowance boards. The next recommendation had to do with the plight of the deserted wives. This is very similar to the case that I was referring to a little while ago, except that now we are speaking of the widow who was a deserted wife before she became a widow. It is similar to the previous case because there are many of these women whose husbands left them owing to a complete upset that occurred in the soldier's life as a result of his service in the war, definitely, in my mind, attributable to the kind of experience these men went through, and it does seem to me that consideration should be given them. The seventh suggestion was that this legislation be made permanent. As a matter of fact from the way it was introduced last year I thought that there might be a bill this year making it permanent, but instead of that we have this item, which is called the last night of the session.

The eighth suggestion is that representatives of the non-pensioned veterans' widows association be asked to sit in with the war veterans' allowance board, on certain occasions at any rate, to discuss matters of general policy relating to the administration of those allowances. I think that the minister will agree on that point; and I am sure that Colonel Carmichael would. I think that the visits these women made to Ottawa at their own expense have have been worth while. The minister at times may have thought that they were rather a nuisance, but he will admit that they have helped the government to bring into effect something that will at least begin to meet the sort of thing that Canada would want done for these people. That being so I suggest that their request that they be called in in an advisory capacity is a commendable one and one that would help to improve this legislation.

The ninth request has to do with the plight of the widow of an imperial veteran where both the soldier before he died and the widow have lived in Canada for twenty years or more. I have had a number of cases in that category brought to my attention where the English ex-soldier and his bride came to Canada after the last war. The soldier had no pension. He died in the meantime and his widow is left without any chance to get any

assistance either from the United Kingdom government or from this government, although they are Canadians by reason of the fact of twenty years' residence or more. I hope this matter will be fully considered.

There are one or two other recommendations, but perhaps they are not as important as the ones that I have brought to the attention of the minister. He knows that this is a subject on which the hon. member for Davenport, the hon. member for Trinity and many other hon. members of the house feel very keenly and have spoken on quite often. If it were earlier in the session the minister knows that this debate would go on all night. The way in which he could cut it short is by telling us that many if not all of the recommendations of these women are to be granted, or at least are being given active consideration.

Mr. MACKENZIE (Vancouver Centre): May I very briefly refer to the point raised by my hon. friend. In the first place he mentioned the age of fifty instead of fifty-five. If he will read the order in council he will find that it says:

(a) that such widow has attained the age of fifty-five years or is so incapacitated by mental or physical disability as to be incapable of and unlikely to become capable of earning a livelihood.

So that there is very great leeway to deal with many cases.

Mr. KNOWLES: I appreciate that, but it does not meet the request for a lowering of the age for all concerned.

Mr. MACKENZIE (Vancouver Centre): The second point my hon. friend raised was in connection with widows of veterans who served only in England. The position is that we cannot very well extend that benefit to the widows until we extend it to the men themselves. I think that is clear; everyone should realize the situation. We must give it to the men themselves first.

Mr. KNOWLES: On that point I support the leader of the opposition in saying that that should be done without delay.

Mr. MACKENZIE (Vancouver Centre): Possibly I might agree. The third point was the question of the deserted wives. That is a most difficult problem, and as yet we have not reached a solution, though we have tried our best. The next point was the matter of permanent legislation. My hon. friend may take my assurance that this will all become permanent legislation, no matter what government may be in power. All these benefits will be embodied in the statutes of Canada. The last point raised by my hon. friend was in regard to some grant to assist the representatives of the non-pensioned widows. There is an item of $1,000 in the supplementary estimates to assist these ladies to come down here and place their grievance or their complaint before the government of the day.

Mr. KNOWLES: I am very glad to hear that. The minister did not deal with the most important suggestion, however, which was that the amount of the allowance be increased to $40 per month.

Mr. MACKENZIE (Vancouver Centre): That cannot be increased, of course, until the general range of veterans' allowances is raised. There must be some parity.

Mr. KNOWLES: I agree, but the general range should be increased too.

Mr. GRAYDON: Do I understand the minister to say that this grant of $1,000 to the non-pensioned widows is to assist a future delegation to present their case to the government?

Mr. MACKENZIE (Vancouver Centre): That is right. These ladies had to come down at their own expense. We thought it was rather unfair to ask them to do that, so that an amount of $1,000 was placed in the estimates for that purpose.

Mr. GRAYDON: That is an excellent idea. The hon. member for Winnipeg North Centre advanced certain arguments in their behalf, and I should like to join in the plea that justice be done these women. A number of them came to see me last year, and possibly the year before. Many hon. members of this house have taken a kindly interest in their case. Last year I had an opportunity of speaking in their behalf, and it is only because of the circumstances of the moment that I am not speaking at much greater length this evening. However, I should like the minister to understand that he will receive very general backing and support in parliament for any scheme that will give justice and equality to these women whose case I think presents a definite challenge to this government and this parliament.

Mrs. CASSELMAN: I am glad indeed to see that the provisions have been widened and that the grant will be made to a greater number of women. I would strongly urge the minister to give consideration to those women who are not widows but who cannot live with their husbands, perhaps because their husbands are mentally ill or for similar reasons. There are a few women in this situation, and I think their case is exceptionally worthy of consideration.

Mr. MACKENZIE (Vancouver Centre): My hon. friend has presented a new appeal with which I was not familiar previously, but I shall be glad to take the matter into consideration.

Mr. KNOWLES: I wonder if the minister would repeat what he said about the case of the woman who was a deserted wife before she became a widow. I realize that the bachelor minister does not understand these things, but I am pressing this point because of one case in particular that I had some months ago. That was the case of a widow whose husband had deserted her before he died. As a matter of fact she was a Salvation Army officer. It was a matter of deep regret that this should have happened but it was due solely to the condition of her husband, which arose from the last war. This widow was in the further difficulty that while she had two sons serving in the present war, each had a wife and neither could afford to assign any money to her, so she had nothing of her own to live on. I mention this fact because I took up the case and fought it hard with Colonel Carmichael and his board which, eventually found a way to grant an allowance to this widow. I was very glad. But I have others whom the board have not found it possible to help out, on the ground of the technicality. It seems to me the minister should listen to the representations that have been made to-night from this side and by the hon. lady member for Edmonton East and see if the regulations cannot be changed to cover fully the case of the woman who was a deserted wife before becoming a widow.

Mr. MACKENZIE (Vancouver Centre): The regulation now is that such widow was living with or being maintained by her husband at the time of his death, or within a reasonable time thereof, provided that the board shall have discretion to waive this qualification in any case where circumstances exist which the board deem such as to make it just and reasonable so to do.

Mr. KNOWLES: What is the date of that regulation?

Mr. MACKENZIE (Vancouver Centre): August 13, 1943.

Mr. KNOWLES: Yet in March of this year the widows still found it necessary to protest this matter.

Item agreed to.

[Mrs. Casselman.]

Services to veterans and dependents—

212a. Grant to Canadian Legion, $9,000.

Mr. GRAYDON: This is the last of the pension items, and I want to raise one question, though the matter is not covered by any of the regular items in the estimates. It is a point that was not brought to the attention of the government or the minister during the debate on the gratuities bill. I realize that the circumstances under which the gratuities bill was debated did not give time for the reaction of certain sections of the country to reach parliament before the bill was finally passed, so that perhaps at this stage I may be permitted to put in a word for the veterans guard, who as far as I know were not mentioned in the discussion on the gratuities bill. I think they deserve consideration by the government when any amendments are being made to that measure. The veterans guard is composed entirely of ex-service men, and I for one believe that they should be considered on an overseas basis with respect to gratuities and rehabilitation grants. These men are in a very special class, if I may say so. I mention this matter now because it is the only opportunity left at this late hour of presenting what I think is a case to be dealt with when amendments to the gratuities bill are considered by this or a succeeding government at the next session of parliament.

Mr. MACKENZIE (Vancouver Centre): I appreciate the observations of the leader of the opposition, but of course there are two points to remember. In the first place the members of the veterans guard were all entitled, as we were, to the benefits of the war service gratuity following the last war, and under the modern scheme they are entitled to the home benefits, unless of course they are sent overseas, in which case they would be entitled to the overseas rate. In addition they are entitled to many other benefits. For instance, we extended the veterans' allowance and the provisions of the insurance act to cover them, so that I can say they have received more benefits than those who did not re-enlist in the present war.

Item agreed to.

Health branch—

213. Health branch administration, $59,277.

Mr. GRAYDON: I am anxious to have the minister indicate to the committee, if he will, what contracts have been let, and the details of those contracts, with respect to the Sunnybrook Farm hospital. This matter is engaging the attention of the public at the moment perhaps to as great an extent as almost any

other of our many hospitalization problems. If the minister could give those details I would appreciate it, and it would be of great interest to the public generally.

Mr. MACKENZIE (Vancouver Centre): I had information come to my hand a few moments ago that two contracts have been let so far. One was a grading or levelling contract for $14,000, let to a firm from Brampton. That is a purely preliminary contract. Then, a few days ago, on August 11, the main contract for the first unit was let, to the value of $2,887,000. That was let to the Redfern Construction Company, and includes the preliminary units of a very great scheme which will amount to about $10,000,000 when it is completed. There will be a total cost, as I have said, of about $10,000,000, before all buildings are completed.

This first unit consists of a boiler house and engineering unit, what they call an up-patients building, and makes a provision for a total of 400 beds out of a total of 1,450 beds which will be finally developed in the institution when it is completed. When this hospital is finished it will probably be one of the largest in Canada.

As my hon. friend may know, we have acquired adjacent property for a health and occupational centre for that type of case which I have described on several occasions. We have bought eight or nine centres across Canada for the assistance of these cases who need some assistance to acquire again the desire for employment, and to develop fitness for employment. One is being built here in Ottawa—the Rideau occupational centre; one at Ste. Annes, one at London, Ontario, one at Toronto, one in British Columbia, one at Saint John, New Brunswick—

Mr. ISNOR: One in Nova Scotia?

Mr. MACKENZIE (Vancouver Centre): Yes, one in every province; but at the present time we have started with a project of five. We have not developed the whole project for every province, but we are going ahead as fast as possible.

Mr. GRAYDON: When will the first patients be admitted to Sunnybrook Farm hospital? I believe one of the real criticisms made with respect to hospitalization in that area is that the Sunnybrook Farm hospital was not got under way as early as it should have been. I remember the minister's arguing in the house that one of the reasons why nothing could be done a year ago was the question of priorities. Then, following that, the priorities difficulty was apparently overcome, and late in the year the first sod was turned.

The real difficulty is that most people feel the hospital should have been commenced a good deal earlier, having in mind the possibility of casualties and the increased need for hospitalization in Canada. For that reason I would say particularly to the minister that one of the chief grounds of complaint at the present time is that the original move was made too late. It becomes of vast importance therefore that we should know when the first patients will be admitted to Sunnybrook Farm hospital.

Mr. MACKENZIE (Vancouver Centre): Of course I cannot give a definite assurance in that regard; but I can say that the architects and contractors have been instructed to rush all work as fast as possible. I do not know if construction was commenced to-day, but I know it is to commence immediately, as a result of the contract I mentioned a moment ago. And I have every reason to believe that the second unit can be looked after very quickly indeed.

I can assure the committee that so far as this department is concerned, in cooperation with the defence services, and with the Department of Public Works, which is really in charge of construction, the purpose is to rush the construction of Sunnybrook Farm hospital as fast as it can be done. I am not a contractor or a construction man, and I cannot of course give a definite reply as to when we can have patients in there. But my hope would be that it would be as soon as possible.

Mr. GRAYDON: I should like to have something a little more definite from the minister with respect to time. I know how difficult it is to estimate time, and sometimes it is even dangerous to do so. Nevertheless I think the public will not be satisfied unless some estimate is given as to the time when Sunnybrook Farm hospital will be able to take in some patients.

I wonder if the minister would go back to the time the matter was argued last session, when he told the committee that the difficulty was one of priorities. He said at that time that priorities could not have been arranged before, and the hospital got under way at an earlier time. That seemed to be a really serious complaint and I must confess it is difficult for me to see the reason why the work could not have been commenced earlier.

Mr. MACKENZIE (Vancouver Centre): For the same reason that they would not permit them to construct veterans' hospitals in the United States of America—exactly the

same reason as we had here. In company with my deputy minister I made a personal visit to Washington a year ago to urge the necessity of obtaining priorities, especially in regard to Sunnybrook hospital at Toronto. We got the finest reception, but we were told that they had the same difficulties there, and that these were world conditions. They were found there, and they were found all over. I am glad to say we have now obtained a first priority in regard to labour and materials. That will be helpful to us.

Mr. ROWE: Priorities are not holding it up now?

Mr. MACKENZIE (Vancouver Centre): No; it is just a matter of plans and specifications. Then, of course, there would be difficulty in regard to labour; but the Department of Labour has been very helpful to us and has promised to give us every consideration in regard to getting available labour.

Mr. ROWE: Has the minister any approximate estimate as to when it will be finally completed?

Mr. MACKENZIE (Vancouver Centre): All I can tell is that it is commencing at once. How long it will take to build is a matter for a construction engineer to estimate. I can only say that every single expedition will be used and every pressure brought to bear. That is as far as I can go.

Mr. GRAYDON: Has an estimate been given by any competent engineer as to the possible time of opening the hospital for patients?

Mr. MACKENZIE (Vancouver Centre): No, I have not any.

Mr. GRAYDON: The minister will see at once my reason for being so insistent in my inquiries. The public will brush aside all technicalities as to estimates by construction people. What they want to know is when patients will be allowed into Sunnybrook Farm hospital. Will they be allowed in in November, or next May, or a year from then, or when? They have no idea as to whether it will be years or months, or how long it may be. That is one of the reasons why I am so insistent in my inquiry.

Mr. MACKENZIE (Vancouver Centre): The only estimate given me was somewhere in 1945, but I should not like to be bound by it.

Mr. HARRIS (Danforth): Has the minister under his hand the amount of assistance given to this problem in that area in connection with making available space for consumptive patients, and space for critical surgical cases in Toronto General hospital and other hospitals in the Toronto area? Does the minister feel he has received the maximum of assistance from those charged with the responsibility of hospital administration in the Sunnybrook Farm area?

Mr. MACKENZIE (Vanvoucer Centre): In reply to the leader of the opposition, first, I have received a note which states that the contract has been awarded for completion one year from to-day. I did not know that when I replied to my hon. friend before. That is the estimate made by the engineers.

Mr. GRAYDON: Is that for the completion of the whole hospital?

Mr. MACKENZIE (Vancouver Centre): No; that is for the completion of the 400-bed unit. The rest will follow very quickly indeed.

The hon. member for Danforth (Mr. Harris) has asked a question, and I want to take this opportunity, on behalf of the members of the committee, to welcome him back to this assembly. I am sure that he, along with the hon. member for Wood Mountain who sits to his right, represented this parliament with great distinction when they visited our sister dominion. We are most happy to welcome them back here. In regard to the hon. member's question, I must say that he has been most cooperative with the Department of Pensions and National Health through offering the facilities of an institution to which he has devoted many of his years. I believe about 200 beds are to be made available in this hospital with which the hon. member has been associated for many years in a truly beneficient way. I want to express publicly the gratitude of the government for his efforts to assist us in that way.

Item agreed to.

Health branch—

214. Food and drugs, $187,299.

Mr. POULIOT: I would like to know if the compound de Kuyper's gin is still supposed to be gin?

Mr. MACKENZIE (Vancouver Centre): I regret that I cannot speak with the expert knowledge of the hon. member for Témiscouata in regard to this matter. It is still before the courts for adjudication so that I cannot give any final opinion.

Mr. POULIOT: After the courts have decided, I will say it is rotten gin.

Item agreed to.

Health branch—
219. Immigration medical inspection, $49,621.

Mr. GILLIS: Am I correct in assuming that you have medical representatives at the larger ports in Canada?

Mr. MACKENZIE (Vancouver Centre): Yes.

Mr. GILLIS: In addition to doing immigration inspection work they also handle the merchant marine and to some extent supervise the merchant marine hospitals. Am I correct in that assumption?

Mr. MACKENZIE (Vancouver Centre): Yes.

Mr. GILLIS: The minister will remember that I raised this matter a few months ago. I think the departmental officials employed in this capacity have received a raw deal during the war. Their duties have increased and they are working longer hours. They are not in uniform and they have been refused the right to go into active service. Many of them volunteered their services but they were considered to be in essential work. When the war is over, those who are young men will be considered slackers because they are not recognized as being service personnel. In matters of promotion and so forth where preference is given to those who served in theatres of war, these young men who have been compelled to remain in their positions because the work they are performing is essential will lose out. Another thing to be considered is the matter of gratuities. The medical service is recognized as being entitled to these gratuities, but these men who render such valuable service at the ports, in many cases working harder than most other medical personnel, with the possible exception of those performing operations under fire, are not entitled. I think there should be an examination of their status.

Mr. MACKENZIE (Vancouver Centre): I am in substantial agreement with what my hon. friend has said. These men have not received the recognition to which they are entitled. With regard to gratuities, rightly or wrongly we have made the distinction that they are to be paid to service personnel as such. We have endeavoured to get permanent status for these men, and we have succeeded in many cases. I think it will be the duty of the department to see that there is no case of permanent injustice in connection with any of these matters.

Item agreed to.

Health branch—
220. Child and maternal hygiene, $45,381.

Mr. POULIOT: Is the excellent book, "The Canadian Mother and Child" by Doctor Couture, still available?

Mr. MACKENZIE (Vancouver Centre): It is being reprinted in both French and English. I have not the figures before me but a large number of copies will be available. It is one of the most popular books ever issued by the Department of Pensions and National Health.

Mr. POULIOT: It is an excellent book and I congratulate the minister upon publishing it. If all the other publications were as good they would be most helpful. I suggest that the minister send a copy to the Premier of Ontario.

Item agreed to.

Health branch—
222. Treatment of sick mariners, $330,907.

Mr. GILLIS: Am I right in assuming that the owner of a ship sailing out of a Canadian port must pay into this fund?

Mr. MACKENZIE (Vancouver Centre): Based upon the tonnage of the ship.

Mr. GILLIS: There are some companies not paying into the fund.

Mr. MACKENZIE (Vancouver Centre): I did not know that.

Mr. GILLIS: I have a case in point about which I have been writing the department for some three or four months.

Mr. MACKENZIE (Vancouver Centre): Is that in connection with coastal trade?

Mr. GILLIS: Yes. It concerns two men who were torpedoed. The owner of the ship is the Dominion Steel and Coal Company and they were not paying into this fund. As a result the hospital facilities at Halifax and Sydney were not available to the members of that crew. They suffered some hardship; there has been some difficulty in establishing pension rights and so forth, and I believe the case is in the hands of the department now. I merely bring this matter to the minister's attention because I think it should be looked upon as a compensation fund and all companies who employ men on ocean-going ships should be compelled to pay into the fund. In the case of the two men I mention I believe the hitch was that the company was not paying into the sick mariners' fund.

Mr. MACKENZIE (Vancouver Centre): When the act was passed it dealt with interprovincial trade and was not available for vessels in the coastal trade.

Mr. GILLIS: There was some friction over hospitalization because the company was not paying into the fund.

Mr. MACKENZIE (Vancouver Centre): Would they not come under workmen's compensation?

Mr. GILLIS: No, they did not get anything.

Miscellaneous grants—
239. St. John Ambulance Association, $4,050.

Mr. GILLIS: The girls in this association are employed in Canadian hospitals only. Is that right?

Mr. MACKENZIE (Vancouver Centre): Some of them are overseas.

Mr. GILLIS: Do they come under the Royal Canadian Army Medical Corps?

Mr. MACKENZIE (Vancouver Centre): No; they are civilian employees. If they were attached to a R.C.A.M.C. unit they would probably come under that corps for the purposes of discipline, but they are not part of the service as such.

Item agreed to.

Miscellaneous grants—
240. Canadian Red Cross Society, $10,000.

Mr. GRAYDON: I think the public ought to be made acquainted with the situation with which we are faced to-night and understand that if this committee has not said a good word for the various institutions and organizations which are mentioned under the head of "miscellaneous grants," comprising items 230 to 240, inclusive, there is a very good reason. Were the committee to be working under circumstances that would permit a lengthy discussion of these items, I am quite sure that hon. members on all sides of the house and in all parties would want to put in a word on behalf of these important organizations. To save time I want on behalf of the committee, not on just my own behalf because I have no desire to take any credit to myself or for my party, to pay tribute and to give credit where credit is so fully due to such organizations as are mentioned here, the Canadian Welfare Council, Canadian National Committee for Mental Hygiene, Health League of Canada, Canadian National Institute for the Blind, L'Association Canadienne Francaise des Aveugles, L'Institut Nazareth de Montreal, Montreal Association for the Blind, Canadian Tuberculosis Association, Victorian Order of Nurses, St. John Ambulance Association and the Canadian Red Cross Society. All these organizations and many others not receiving grants are deserving of the thanks of a grateful parliament and people, and I just want at this time to give a blanket approval and pay a blanket tribute to the work that they all have done.

Mr. MACKENZIE (Vancouver Centre): I just wish in a word to associate myself with the very kind words of the leader of the opposition. My only regret is that we are not doing more for these splendid organizations.

Item agreed to.

Pensions and other benefits—
241. Pensions payable to men on active service, Northwest Rebellion, 1885, and general pensions, $16,000.

Mr. GRAYDON: May I ask if this covers a full scale of pensions and allowances for all those who served in the Northwest field force?

Mr. MACKENZIE (Vancouver Centre): They have always been entitled to pensions, but in 1921 they were brought within the provisions of the Canadian Pension Act. What has been done recently has been to make them eligible for veterans' allowance. The rule had been that veterans' allowance was payable only to those who had served in an actual theatre of war, but now the veterans of the Northwest Rebellion are eligible, as well as the widows under the widows' allowance legislation that we passed last year.

Mr. GRAYDON: Does this dispose once and for all of all the claims that have been made from time to time on behalf of the men of the Northwest field force?

Mr. MACKENZIE (Vancouver Centre): Absolutely. There is no other claim that can be made now.

Mr. MacNICOL: The minister is intimately acquainted with the programme of Mr. T. A. World, of Toronto. Has all that he has proposed been taken care of?

Mr. MACKENZIE (Vancouver Centre): Yes.

Mr. GRAYDON: If the government would only listen to the pleas of those of us on this side of the house in the same manner in all things as they have done in this we would be in a position to commend them a great deal more.

Mr. MACKENZIE (Vancouver Centre): I am glad to give my hon. friend any satisfaction that he finds in advocacy; we take satisfaction in performance.

Mr. GRAYDON: Perhaps the satisfaction in this case can be shared by us all.

Mr. CASTLEDEN: With respect to the item "Militia Pensions Act, 1901," immediately below item 241, what is the reason for the increase of $300,000 in the item?

Mr. MACKENZIE (Vancouver Centre): Men have been retired from active service.

Item agreed to.

Direct pensions to veterans and dependents—
523. Widows' compassionate allowances to be paid under terms and conditions approved by the governor in council—further amount required, $100,000.

Mr. MacNICOL: Have the non-pensioned widows all been taken care of now?

Mr. MACKENZIE (Vancouver Centre): Yes, so far as I know. Speaking from memory, I do not think there are any deferred cases. There was a little trouble at the start because in some cases the application was not made, but through the cooperation of Colonel Carmichael pretty near all the cases have now been adjusted.

Mr. MacNICOL: I just want to thank the minister for having brought this case of the non-pensioned widows to a successful conclusion. It is some five or six years now since we commenced working on it and we all knew what the minister was up against, but he has been sympathetic at all times and I just want to thank him.

Mr. MACKENZIE (Vancouver Centre): My hon. friend the member for Davenport was the real pioneer in this movement.

Mr. GILLIS: Let us not kid ourselves that the whole question has been satisfactorily settled. One would be led to believe that from what the minister has just said, but in my opinion it will not be satisfactorily settled until the limitations in the War Veterans' Allowance Act applying to service personnel who have not served in a theatre of war have been removed. That would do justice to many widows who are certainly entitled to a pension, and until that is done the question has not been settled to the satisfaction of all.

Mr. KNOWLES: In the discussion on his main estimates the minister indicated that $1,000 would be available in the supplementary estimates to enable representatives of the non-pensioned widows' association to come to Ottawa. If that is a part of this $100,000, what is to be provided by the other $99,000?

Mr. MACKENZIE (Vancouver Centre): That $1,000 is under item 515 of the supplementary estimates.

Mr. HANSELL: What is the regular amount paid to these widows? I suppose it varies.

Mr. MACKENZIE (Vancouver Centre): It corresponds exactly to the amount paid to veterans under the War Veterans' Allowance Act. The maximum is $30.41.

Item agreed to.

Mr. CASTLEDEN: If I may revert for a moment to items 519 and 520, dealing with European war pensions and war veterans' allowances, are these items to provide for pensions and allowances arising out of this war?

Mr. MACKENZIE (Vancouver Centre): The amount in item 519 is for pensions arising out of the last war. The amount voted last year was not sufficient.

Health branch—
532. Child and maternal hygiene—further amount required, $14,000.

Mr. GRAYDON: I am not sure that this is the appropriate item under which I should ask this question, but there have been newspaper reports from time to time with respect to the inroads of infantile paralysis or poliomyelitis in Canada. Would the minister indicate the extent of the disease—I do not think it could be described as quite an epidemic at the moment? At any rate there has been a good deal of news in the press about it.

Mr. MACKENZIE (Vancouver Centre): There was widespread alarm some months ago that it might be an epidemic, but I am glad to say that, generally speaking, the disease has been allayed in Ontario and other provinces. It is a disease that is calculated to create alarm and a good deal of dismay not only to the medical profession but to the public at large, but I am informed by my medical advisers that the situation is not as serious as was feared at one time.

Mr. GRAYDON: Has any progress been made recently in combating the disease and in finding a satisfactory cure? I am personally interested because seven years ago this August when the epidemic hit Ontario our own family was struck. For that reason, as I say, I have a very special interest in the matter and I should like to know whether any progress has been made. I know there has been a good deal of progress in connection with the type of treatments used, because at that time the treatment seemed to have been different from

that which was finally applied to the disease. Has the minister anything to say in that regard?

Mr. MACKENZIE (Vancouver Centre): In that respect I can speak only in moderate terms. Some years ago we made extensive researches in Saskatchewan and Manitoba when the disease was prevalent there but, unfortunately, I do not think we were very successful. I understand, however, that some of the scientific institutes of the United States are quite hopeful that at last they are on the right track and that a scientific discovery may be made which will be beneficial.

Item agreed to.

Health branch—
535. Medical investigation division—further amount required, $5,106.

Mr. GILLIS: The minister will remember that I brought to his attention two or three times the matter of probing the possibilities of a serum known as A.C.S., perfected in Russia. It is a cure for arthritis. I have had a good deal of correspondence and I believe the minister has been following up the matter. It is certainly worthwhile following up.

Mr. MACKENZIE (Vancouver Centre): Departmentally, the department has been in touch with the organizations concerned, and I had the pleasure the other day of presenting to the Soviet government some orthopædic appliances in which Canada leads the world, in both invention and development. We were happy in having them accept these appliances. I had an opportunity of mentioning this serum to the ambassador from the Soviet union, and he was kind enough to suggest that he would take up the matter and give us all the information possible in regard to it.

Mr. GILLIS: Is that serum available in Canada for experimental purposes?

Mr. MACKENZIE (Vancouver Centre): No.

Mr. GILLIS: It is in Britain. I have an editorial from one of the Ontario papers to the effect that a certain doctor has been doing experimental work.

Mr. MACKENZIE (Vancouver Centre): We had a cable from the British ministry of health indicating that it was not available. That was two weeks ago.

Mr. GILLIS: But they are doing research work.

Mr. MACKENZIE (Vancouver Centre): We are following direct methods and trying to find out what we can.

Item agreed to.

[Mr. Graydon.]

DEPARTMENT OF AGRICULTURE

Science service—
459. Entomology—further amount required, $76,700.

Mr. CASTLEDEN: It is difficult to understand why there should be an extra supplementary estimate after the increases which the minister had already indicated in his regular estimates. What is the nature of the work covered by this extra amount under this item?

Mr. CRERAR: The addition is for more extensive research work into the devastations caused by the spruce budworm. There is a certain amount in the vote for that and also for further investigations into the wheat stem sawfly. This is to provide funds to carry on a large scale field investigation into the seasonal life history of the sawfly. Then there is further investigation into the potato insects that affect production of potatoes. There is also an item for orchard insect investigation. That is the nature of the expenditures that will be called for. It is broken down as follows—

Mr. CASTLEDEN: We have the details.

Item agreed to.

Marketing service—
466. Subsidies for cold storage warehouses under the Cold Storage Act, and grants, in the amounts detailed in the estimates—further amount required, $750,000.

Mr. CASTLEDEN: What are the details of the various cold storage warehouses that will receive the $750,000?

Mr. CRERAR: If my hon. friend will turn to page 13 of the supplementary estimates he will find the details of this vote set out at the foot of the page.

Item agreed to.

Special—
468. Agricultural research special projects, $200,000.

Mr. FAIR: What is anticipated under this item?

Mr. CRERAR: I am not very familiar with these estimates, but the note I have here states that the item is to provide for a continuation of the work inaugurated in 1943 for which $200,000 was voted, including the construction of a pilot flax mill, salaries, et cetera. There is a pilot flax mill at Portage la Prairie. There is a western field wool laboratory at Lethbridge. These are the two items. I am

informed that this item is to carry on work that was undertaken last year on a vote passed a year ago.

Item agreed to.

Special—

469. To provide assistance for the replacement of maple production equipment, $200,000.

Mr. CASTLEDEN: Could the minister give us some explanation of this item?

Mr. CRERAR: This is a project that was started in 1940 to assist maple products producers to replace their equipment. As my hon. friend knows, normally a substantial amount of maple products produced in Canada is marketed in the United States. The equipment that was in use in Canada was not satisfactory in the sense that it did not permit the product to come within the requirements of the Food and Drugs Act of the United States. The United States authorities contended that there was a certain amount of lead poisoning from the type of utensils that were formerly used. This vote is to assist the maple sugar producers to replace their equipment so that it will come within the requirements of the United States law.

Item agreed to.

Special—

470. To provide for administrative expenses, agricultural Prices Support Act, 1944, $25,000.

Mr. POULIOT: This reminds me of a long distance call that I made last year with regard to butter. The production of butter was large enough but it was rationed. The wholesalers could not buy more because the cold storage warehouses were probably not large enough and the butter was purchased by the government from the farmers and then sold at a much higher price to the United States without the farmer receiving any further benefit. It is quite strange that it happens in this country. There has been a severe rationing of butter within the last few weeks and I cannot understand it. How is it that the government has purshased a large quantity of butter from the farmers of Canada which has been sold to the United States at a much higher price than that prevailing in Canada at the time without the Canadian farmers receiving any more benefit? That question has been asked many times.

Mr. DONNELLY: I should like to say a word or two in regard to the price administration of agricultural products. I found on my trip to Australia and New Zealand that there was no subject that one heard more often than the price of agricultural products. Wherever we went and wherever I addressed a meeting the one question that was asked was: "How are you in Canada able to keep the price of agricultural products so high, so much above the world's price, because we sell our goods at the world price and they are much lower than what you people in Canada are obtaining for yours?" I was obliged under those conditions to explain why; but before I go on to explain why, I wish to give the committee the prices which the people in Australia and New Zealand are obtaining for their farm products, so that we may be able to get some idea as to whether Canada is being legislated properly or whether she is being poorly guided and governed. With regard to the prices which they are obtaining for their agricultural products—

Mr. CASTLEDEN: Have you the cost of production?

Mr. DONNELLY: Never mind the cost of production. I am giving you the prices that they are getting. You can find out the cost of production, you have plenty of time. In regard to butter, they receive for butter wholesale twenty cents a pound or one shilling, sixpence. Butter retails at thirty cents a pound, or one shilling, eight pence. In Australia and New Zealand wheat sells for seventy-four cents a bushel. If they sell more than three thousand bushels they get a lot less; it runs down to sixty cents. I will not tell you, sir, what we are getting because you know as well as I do, about $1.25. They get three shillings and eight pence for barley, or about sixty-six cents; we get somewhere in the neighbourhood of seventy-nine cents. In Australia and New Zealand a steer weighing about a thousand pounds is sold for about $61.20. In Canada we get about $110 or $115 for a steer weighing that much, or nearly twice as much. In Australia and New Zealand a pig weighing 200 pounds sells for $21.60. It sells in our country for somewhere in the neighbourhood of $27 or $28. These are some of the prices which they receive for their agricultural products and they have a socialist government or a labour government, there. The only people who seem to be discriminated against in that country are the agriculturists or the farmers and not the labourers. They have a labour government. Wherever you go you find discontent. I never was in a country where I found more discontent among the farmers than I did in Australia and New Zealand.

I shall now give you what they pay for agricultural implements. The prices run something like this. These implements are manu-

factured and sold by the Massey-Harris Company in that country. A hoe, 16-run small seeder drill, very few of which are manufactured in this country now sells for $375.30; a three-furrow disc plough sells for $412.20. An eight-foot binder, four-horse hitch, sells for $525.60; a mower, six-foot, sells for $202.95; a nine-foot rake sells for $79.65; a 26/36 horse-power 102 senior sunshine Massey Harris rubber tires sells for $2,187. In other words, the price of the agricultural implements that they have to buy is nearly one-third higher than in this country and the price of the goods which they have to sell is about one-third less. Is it any wonder that there is dissatisfaction in that country among the agricultural people with regard to the way in which they are being treated? On the other hand, some of our friends over in the corner do not seem to know that we sell our goods at the world's price too. The fact of the matter is that when England wants to buy we ask her how much she is going to pay and we sell to her at the world's price. It may be 75 cents it may be seventy cents; it may be 80 cents; it may be $1.50. We sell it to them at the world price, whatever it is. Supposing the Englishman says he will pay us seventy-five cents; we take the other fifty cents, to make up the $1.25 that we receive, from the mutual aid appropriation. We do the same in connection with pork, beef, butter, cheese and all our farm produce. That is why we are able to get the prices we are receiving at the present time, regardless of what world prices may be. These are things I think we should tell our people, because they do not know how well they are being treated. In my opinion there was never a time in western Canada when the people had as much money as they have now. They should realize in what manner they are receiving the prices they are being paid for their products at the present time.

Mr. POULIOT: Would the minister please tell me why some Canadian butter has been sold to the United States at higher prices than those prevailing in Canada, without any extra benefit to Canadian farmers?

Mr. CRERAR: I am afraid I cannot give my hon. friend the information for which he is asking, although I will request the officers of the department to send him the explanation if there is one. To-night I am pinch-hitting for the Minister of Agriculture, who is away. As a matter of fact, the point raised by my hon. friend is not covered by any of the items in the list of supplementaries. If it had been so covered I would have endeavoured to inform myself as to the matter, but I really must ask my hon. friend to be kind to me to-night because I have not the information here.

Mr. POULIOT: The minister knows the regard I have for him. I could have brought up this matter under the floor prices measures, or it could have been mentioned under item 466, which has to do with cold storage warehouses. It was because the cold storage space was insufficient that this extra quantity of butter, which could not be stored, was sold to the United States.

Item agreed to.

DEPARTMENT OF FINANCE

47. Departmental administration, $581,751.

Mr. POULIOT: Will the Minister of Finance be kind enough to inform the committee if it was the practice during the last war to have Sir Sam Hughes, the Minister of Militia, as perpetual acting minister of finance? I wonder how the present Minister of National Defence can find time to be also acting Minister of Finance. This is something I cannot understand, and I would ask the minister to give me some information about it.

Mr. ILSLEY: The Minister of National Defence was Minister of Finance for a period; and owing to his experience, as well as his outstanding ability and qualifications, it is thought desirable to have him named as Acting Minister of Finance in my absence. I am very grateful indeed to him for acting in my behalf when I am away.

Mr. POULIOT: That is the minister's view about it, and it is most complimentary to the Minister of National Defence, but the hon. gentleman does not touch the grave of the late Sir Sam Hughes, who was busy as Minister of Militia and who was never the perpetual Acting Minister of Finance.

Here is the reason I object to it. I believe that in time of war the job of Minister of National Defence must be a full-time job, and that a member of the cabinet who acts in both capacities must neglect one of them. Either the Minister of National Defence pays no attention to his duties as Acting Minister of Finance or the perpetual Acting Minister of Finance pays no attention to his duties as Minister of National Defence. I am reminded of a world character who has lost some of his popularity—Mussolini, who held five portfolios. The Acting Minister of Finance is the deputy Prime Minister, a full-time job; he is Minister of National Defence, a full-time job, and he is Acting Minister of

Finance. It is none of my business to decide who is to be Acting Minister of Finance, but I can criticize what has been done. I believe that after the Minister of Finance himself the man best informed in regard to his department is his parliamentary assistant. I do not see why a member of the cabinet should hold three cabinet jobs, while the parliamentary assistant, who is a learned member of the bar and who has done exceptionally well in substituting for the Minister of Finance when he could not attend the meetings of the house or the committee of the whole, should be kept in the kitchen if not in the cellar or the attic. As one of the colleagues of the parliamentary assistant to the Minister of Finance I protest, as it is my right to protest. It is not my business to appoint, but I have the right to protest when an injustice is done. That injustice is made worse because at the present time the international commitments of Canada are not made by the Minister of Finance but by the Acting Minister of Finance. When the perpetual Acting Minister of Finance goes to Great Britain or anywhere else he makes the commitments, and then the Minister of Finance has to defend them. That is the point; that is what I protest against, and I do so because it is commonly and openly felt that Charlie Dunning is still the boss of the Department of Finance, through his friends who are there.

Mr. MACKENZIE (Vancouver Centre): You are being silly.

Mr. POULIOT: I hear the minister say I am being silly.

Mr. MACKENZIE (Vancouver Centre): Absolutely.

Mr. POULIOT: I do not protest because I attach no importance to his remarks. But does he not remember the time when the then Minister of Finance, Charlie Dunning, decapitated him by taking away the right to make commitments for the Department of National Defence, by creating the national defence purchasing board?

Mr. MACKENZIE (Vancouver Centre): Nothing of the kind; that was my personal recommendation and you do not know the difference.

Mr. POULIOT: I know very well. I have made the statement in the house, and it was never contradicted until the facts were forgotten by the minister. He must remember that I am the only member who defended him against the action of the then Minister of Finance who wanted to control even the purchases of caps and swords and bayonets.

Some hon. MEMBERS: Order.

Mr. POULIOT: Well, I am talking about a matter of finance, and about the purchasing board, which is now the Department of Munitions and Supply, but was for a time under the Minister of Finance. It was taken from the present Minister of Pensions and National Health.

Mr. MACKENZIE (Vancouver Centre): You do not know.

Mr. POULIOT: I know very well.

Mr. MACKENZIE (Vancouver Centre): You do not know a thing about it.

Mr. POULIOT: The minister might say I do not know, but I know very well, because he is one of the clients I have defended without charge.

Mr. MACKENZIE (Vancouver Centre): What an unusual thing!

Mr. POULIOT: He must remember that I defended him on that occasion, and I was the first one—not the only one—but the first one to defend him about the Bren gun. At the time I was the only one to defend the present Minister of Natoinal War Services, who was then deputy minister of national defence. I know my business and my past history, and I can compare it with that of the Minister of Pensions and National Health or with that of the Minister of National Defence, or all those who are not my friends in the cabinet.

I regret that at the present time commitments are made by the perpetual Acting Minister of Finance. I want to know one thing; I have already put the question to the Prime Minister on his estimates, and I was not answered. I want now to put the question in very clear language—and the Minister of Pensions and National Health has nothing to do with it. It is a question which might be answered by the Prime Minister, or might be answered by the Minister of Finance, or might be answered by the perpetual Acting Minister of Finance. It is a question of wide unrest, and it is this: What is the rule applied to cabinet ministers in connection with sitting on boards?

There seem to be various contradictory procedures. There was the late Senator Dandurand, who was minister without portfolio, and leader of the government in the senate. He was indicated in the Parliamentary Guide as president of a savings bank in Montreal, a director of the Sun Life Insurance Company, and so on. It was all right for him to be a director.

My dear friend the Minister of Mines and Resources is described in the Parliamentary Guide as a director of the Great West Life Insurance Company. I have no objection to that.

Then there is the Minister of Justice who said to me that he had resigned as a director of the Bank of Montreal as soon as he was appointed Minister of Justice. I do not find fault with him. It was his right to resign, if he wished. It is the right of any minister to be director of any company, so long as it is known by the public.

But what I want to know is: On what date did the perpetual Acting Minister of Finance resign from the board of Barclay's Bank, and from the boards of the other coal companies or steel companies, and so on, and so on, which appeared in the reference books, before he was appointed Minister of Finance? On what date did he resign? If it is the practice for ministers to resign from boards, then on what date did he resign from the boards on which he sat from 1935 to 1939, when he was sworn in again as Minister of Finance, and before he became Minister of National Defence, upon the death of Hon. Mr. Rogers?

It would be interesting to have an acknowledgment of his resignation from the companies concerned, banks and so on. Or, if he did not resign—

Mr. MACKENZIE (Vancouver Centre): Order.

Mr. POULIOT: I have a perfect right to speak.

Mr. MACKENZIE (Vancouver Centre): I rise to a point of order. This discussion has nothing whatsoever to do with the item before the committee.

Mr. POULIOT: We are discussing item 47—

The ACTING CHAIRMAN (Mr. Golding): This is the item for departmental administration in the Department of Finance.

Mr. POULIOT: Yes. The minister is head of that department, and the perpetual acting minister is the acting head of the department, having control of the whole departmental administration, next to the minister himself. I want to know—and this is vital—what are the connections, if any, between the perpetual Acting Minister of Finance and the department? I want to know more particularly because the Minister of Justice resigned from the board of the Bank of Montreal when he accepted his seat in the government—

Mr. MACKENZIE (Vancouver Centre): Order.

Mr. POULIOT: —to be sworn in as Minister of Justice.

Some hon. MEMBERS: Order.

Mr. POULIOT: I am speaking to the point of order.

[Mr. Pouliot.]

The ACTING CHAIRMAN (Mr. Golding): The Minister of Justice should not be brought into the discussion.

Mr. POULIOT: No, no; I am not saying anything against him. I am praising him for being logical with himself. And I would tell you more than that, sir, that I do not object to any minister's resigning from a board when he is called to the cabinet. I will go even farther than that; I do not object to any minister's being on a board, so long as it is publicly known and published in the reference books. But the very moment that publicity in respect of directorships is stopped, I find it wrong.

If it is right for the minister to be on a board, the public has a right to know it, and has more right to know it when it is the Department of Finance. That is my point.

To conclude, I should like to know from the Minister of Finance or from his acting colleague what the rule is regarding the holding of directorships by members of the cabinet. That is my question.

Mr. RALSTON: And would you like to have an answer?

Mr. POULIOT: Yes.

Mr. RALSTON: So far as I am concerned, I know of no general rule. But I know the rule I applied to myself, and that rule was that immediately I accepted the portfolio of Minister of Finance I resigned every directorship I held, except one, and that one was in connection with a small company. I happened to be the executor of the estate of a gentleman who was president of that company, and whose widow I felt I should assist for the time being by continuing to act on that board. I resigned the directorship soon after. I cannot say whether I resigned the others on the day I accepted the portfolio, but I am satisfied it was that day or the next day that I resigned every directorship, with the single exception I have mentioned.

Mr. POULIOT: May I ask the minister if the directorship he did not resign was in Barclay's Trust?

Mr. RALSTON: The directorship I did not resign at the time was in the Malcolm Furniture Company, a company in which the Hon. James Malcolm, a late personal friend and colleague of mine was interested. I was on that board because I was a joint executor with Mrs. Malcolm of his estate.

Mr. GILLIS: I have received a number of protests with regard to the application of orders 184 and 284 which fix quotas for the

distribution of certain commodities throughout Canada. These protests have come largely from cooperative stores.

Mr. ILSLEY: I do not think a discussion of wartime prices and trade board orders is in order under this item. That would have been in order under the estimates of the wartime prices and trade board which were war estimates.

Mr. GILLIS: Strictly speaking they may not, but is not the wartime prices and trade board under the administration of the Department of Finance?

Mr. ILSLEY: Wartime prices and trade board is responsible to the Minister of Finance, but it is a war-time agency and its estimates are provided for separately from the permanent, peace-time, non-war appropriations for departmental administration. When the wartime prices and trade board estimates were before the committee hon. members had an opportunity to discuss everything connected with those orders, and as a strict point of order I think the time has gone by in this session for discussing them.

Mr. GILLIS: I am not going to press it. This is just a technicality, and I merely wanted to point out to the minister that there is considerable friction in the country on this very matter which affects the general public. Small stores are having to close up because they cannot get goods for their customers.

The ACTING CHAIRMAN (Mr. Golding): I think the point of order is well taken. I direct the attention of the hon. member to standing order 58 which states:

> Speeches in committee of the whole house must be strictly relevant to the item or clause under consideration.

Mr. CASTLEDEN: There are certain regulations with regard to the distribution of materials about which we are concerned in western Canada.

Mr. ILSLEY: On a point of order, that is exactly the same point. We must decide whether we are going into the wartime prices and trade board estimates again. If that is decided, we will go into them, but I do not think it would be in order.

The ACTING CHAIRMAN (Mr. Golding): It is not in order.

Mr. BLACKMORE: It might be a considerable task for the chairman to outline exactly what is included in this item and be able to state what is relevant. I would like the minister to tell us the achievements of Canada at the Bretton Woods conference. Up to the present time we have had no discussion on that world conference, which I think is one of the most important matters coming under the minister. It seems to me that this is a proper question to ask.

Mr. ILSLEY: I think I should answer that. The hon. member asks what were the achievements?

Mr. BLACKMORE: Yes. We have heard a lot about them but we have not had any report of any kind in parliament at all. I think this is the most important event of this year. There should have been a general statement, either by the Prime Minister, the Minister of Finance or some appropriate minister, but we have had no opportunity to discuss this matter to any degree in any way.

Mr. ILSLEY: Two long reports were tabled a day or two ago which embodied the proposals that were accepted by the delegates to the Bretton Woods conference. Those delegates were not appointed by the Department of Finance; they were appointed by the government of Canada. The delegation consisted of persons connected with several departments of the government, with the Bank of Canada, and it included some members of parliament. The agreements did not represent any commitments by the government of Canada, and they will have to be considered by the government before the decision with respect to them can be stated. In regard to the achievements of the Canadian delegation, all I can say is that by common consent they distinguished themselves by their outstanding qualifications and by the ability with which they approached the discussion of and decision on the various matters that came before the conference.

Mr. BLACKMORE: I am sure the committee would be gratified if the minister would give us a little more detail as to how they distinguished themselves. We would like to know whether they distinguished themselves in the interests of the dominion government or in the interests of some group of people outside Canada.

Mr. ILSLEY: That would be a matter of opinion and I do not know whether my hon. friend would agree with me.

The ACTING CHAIRMAN (Mr. Golding): I think the hon. member should confine his remarks to this item.

Mr. BLACKMORE: Will the Chairman explain to what extent my remarks are not pertinent to this item?

The ACTING CHAIRMAN (Mr. Golding): This item has to do only with departmental administration of the Department of Finance; it is the peace-time administration.

Mr. BLACKMORE: Was the Bretton Woods conference under the direction of the Department of Finance?

Mr. ILSLEY: No.

Mr. BLACKMORE: If it was not, why was it not? Will the Chairman tell me under what department it was.

The ACTING CHAIRMAN (Mr. Golding): What we have here is the peace-time administration, and I submit that the hon. member's problem does not come under that.

Mr. BLACKMORE: I am very much concerned about this thing and I think I know what I am talking about.

Mr. MITCHELL: My hon. friend asked for this report the other day, and I have a vivid recollection of the Prime Minister tabling a copy of the Bretton Woods proceedings and saying that as soon as possible they would be printed in English and French for distribution.

Mr. BLACKMORE: I am asking a simple question.

The ACTING CHAIRMAN (Mr. Golding): The point the hon. member is raising has nothing to do with the peace-time administration of the Department of Finance; it is in connection with post-war procedure.

Mr. BLACKMORE: If it has to do with post-war, it has to do with peace.

Mr. ILSLEY: It is not really under the Department of Finance. The hon. gentleman wants to know what is to be done with this report.

Mr. BLACKMORE: To know where we are at; that is all.

Mr. ILSLEY: These are draft agreements, one relating to an international monetary plan and the other to an international reconstruction bank. They do not carry any commitment on the part of the government. They were drawn up for submission to governments for rejection or ratification. Before agreements are ratified by the Canadian parliament, a full opportunity is given for discussion. I think we had better drop this discussion for to-night. I am not in a position to discuss it any more than the hon. gentleman is.

Mr. BLACKMORE: I am well satisfied with that answer. All I want to know is where Canada stands.

Item agreed to.

[Mr. Blackmore.]

52. Old age pensions, including pensions to the blind, administration, $43,280.

Mr. KNOWLES: It seems to be getting in the nature of a tradition, Mr. Chairman, that this item should be called very late in the session. Two years ago it was the last afternoon, and last year it was nine o'clock of the last evening, and now it is a quarter to eleven o'clock.

Mr. ILSLEY: Let me say this, that last year and this year there was full opportunity earlier in the session for a full discussion of this subject.

Mr. KNOWLES: The very fact that we did have a partial discussion of this subject on June 2 and June 5 when the war appropriation estimate relating to old age pensions was before us is, to my mind, an additional reason why a reasonable opportunity should have been afforded for further discussion of this matter. One reason why I make that point is that on that occasion hon. members from all sides of the house drew to the attention of the minister a good many matters relating to the administration of the Old Age Pension Act, which is the item now before us, and we dared to hope that by raising these matters at that time there might be some consideration of our points and some further adjustment made before we reached this main item. As a matter of fact, on June 5, as recorded at page 3642 of *Hansard*, the Minister of Finance said, and we appreciated it, that he would have the officials of the old age pension branch comb through the debate of those two days to see what could be done with a number of suggestions that were made at that time. I hope that the minister will indicate to-night whether anything has come out of the study of that debate.

Now that we are on this item, it seems to me that the committee should realize, even though it may hold up the proceedings in the other place for a few minutes, that this matter is of deep concern to very many people in this country. When on the 13th of March of this year I endeavoured to move an amendment to the motion to go into supply in order that we might discuss the matter at that time, I suggested that the time had come to raise the amount of the pension to at least $40 a month and to lower the eligible age to sixty. The motion that I then made was ruled out of order, so that there was no discussion of it in the house. But a few days later Canada's outstanding Liberal newspaper, which is published in the city from which I come, criticized me for being terribly irresponsible because I was making a suggestion that would involve an increased expenditure of $155,000,000 a year,

raising Canada's total old ald pension costs to $206,000,000. It seems to me now that I should apologize to the old people of this country for having suggested so small an amount, for we have found since that for other worthy and deserving purposes we have been able to find almost unlimited sums of money. It seems to me that if we can go in, as I am confident we can, for social legislation such as has been brought down in the house lately—I refer particularly to the bill providing for family allowances and to the bill providing for gratuities for service personnel—if we feel that money is no barrier to bringing about these two desirable objectives because we have found during the war that we can increase our production tremendously, I feel keenly that the time has come not to make just piecemeal changes in our old age pension legislation but to put it on a really proper basis. I know the minister will possibly remind me that during a previous debate the suggestion was made that this whole matter would be discussed at the dominion-provincial conference whenever it may be held. I would hope that if that is still the answer the minister would indicate whether the government has any proposals along the line of increasing the amount of the old age pension and lowering the eligible age to present to that conference if and when it is held. I should also be glad if he would indicate whether any further announcement is to be made as a result of the study by the officials of the old age pension branch which he promised on the 5th of June.

Mr. ILSLEY: This whole matter was discussed when the old age pension war estimate was before the house. With regard to the question whether the government has any proposals for increasing the amount and lowering the age, we certainly intend to make proposals to that end in so far as a contributory system of old age pensions is concerned, which we shall have to discuss with the provinces because that would involve a constitutional change.

With regard to the present system I explained clearly that it is not a satisfactory system. It is almost impossible to make any fundamental change in the system until we discuss a contributory old age pension system with the provinces, and we cannot do that until we have a dominion-provincial conference.

With regard to the suggestions that were made when the estimates were before the house previously, I have had a very long and carefully prepared memorandum made about all of these suggestions. It has been found impossible to do anything about them yet. We have not taken them up with the provinces. That involves an immense amount of correspondence, telegraphing and so on. I think myself that the conference is the most appropriate way in which to deal with the suggestions.

Mr. KNOWLES: I wonder if the minister is planning to provide copies of that memorandum to the provincial governments in advance of the conference so that they may study the suggestions contained in it.

Mr. ILSLEY: It is a memorandum for the minister from the officials. It is not for general circulation, but perhaps with some modifications it could be.

Mr. KNOWLES: It seems to me that would be highly desirable.

Mr. ILSLEY: It is a very good memorandum indeed.

Mr. BLACKMORE: Did I understand the minister to say that the present system was not satisfactory ?

Mr. ILSLEY: Yes, I said that before.

Mr. BLACKMORE: And it was not satisfactory because it was noncontributory?

Mr. ILSLEY: I said before that it was not satisfactory because of divided jurisdictions, because of the great difficulty in making changes and bringing about agreement in ten different jurisdictions when anything has to be done. I have had a very large amount of correspondence with the provinces during the last few years over changes in the old age pension regulations, and I think that a system where the jurisdiction is divided is unsatisfactory.

Mr. BLACKMORE: Did I understand the minister to say that the ideal system would involve contributions?

Mr. MACKENZIE KING: I move that the committee rise, report progress and ask leave to sit again this day, so that I may move to continue after eleven o'clock.

Progress reported.

Mr. MACKENZIE KING: Mr. Speaker, I move that the house be not adjourned at eleven o'clock to-day.

Motion agreed to.

SUPPLY

The house again in committee of supply, Mr. Golding in the chair.

DEPARTMENT OF FINANCE

52. Old age pensions, including pensions to the blind, administration, $43,280.

Mr. BLACKMORE: When the Prime Minister asked that he might have the floor I had just inquired of the minister whether he believed the ideal system of old age pensions should be one under which contributions were made from those receiving the pension.

Mr. ILSLEY: So far as possible.

Mr. BLACKMORE: Am I right in assuming that the minister believes that authority for old age pensions should be centred in Ottawa?

Mr. ILSLEY: The authority in respect of contributory old age pensions should be a federal authority, I think, just as unemployment insurance is.

Mr. BLACKMORE: I just want to make this comment. In my belief the minister is exactly wrong in this respect, for this reason. Any system of contributory old age pensions will involve a diminution of purchasing power in the hands of the people and such methods should not be resorted to. It is not necessary. Moreover, it is not sound that any more authority should be centred in Ottawa. We have too much of that already. In contemplating a contributory system, or taxation system for old age pensions, he is introducing a technique of socialism. In aiming to concentrate power in Ottawa he is introducing a technique of socialism and this will not give the best results. Let me tell the minister that while he is contemplating a revision of the old age pension set-up he will have my complete support only if he works for $50 a month pension to all people who are sixty years of age.

Mr. CASTLEDEN: I would point out that in certain cases men receiving old age pension, although they were seventy-three years of age, found their services required in harvesting, seeing that there was a great shortage of help. The Minister of Labour may be able to assist in this matter. These men, in spite of the fact that they were past the age when they should have been working, went into the harvest fields and did their best to assist in garnering the harvest. The fact that they were paid a small remuneration resulted in a letter being sent to them from the old age pension authorities to the effect that if they earned more than $40 or $50 they must be sure to report accordingly to the officials; otherwise they would discover later on, that this amount would be deducted from the miserable sum they were receiving. Under war conditions, if for no other reason, that sort of thing should be discouraged. These people who are working beyond their years and energy, trying at the same time to render some service, should not be penalized and made to feel that everything they earn beyond a certain sum will be taken from them because their income may reach the terriffic sum of $365 per annum. Is there anything the minister can do to prevent that?

Mr. ILSLEY: There has to be some means test if there is a non-contributory old age pension scheme. There is everywhere. You do not pay non-contributory old age pensions regardless of the incomes that people receive. If a person has an income it must be taken into account in determining his pension. It becomes an argument then how much income he should be allowed, and many views have been advanced in that regard. After a good deal of correspondence with the provinces we increased the allowable outside income two or three months ago.

Mr. CASTLEDEN: What is it now?

Mr. ILSLEY: The total is $425. The allowable outside income is $125 over the $300.

Mr. BLACKMORE: I suggest to the minister that he might as well begin to think in terms of social credit in connection with the old age pension. He had better regard it as a dividend to be given to everyone regardless of income. If he does he will overcome all this difficulty about a means test. The complexities and difficulties inherent in social services will become so great unless he adopts some principle akin to the social credit system that it will be impossible for him to carry on. I am not warning him, but giving him counsel which will save himself and the country a lot of trouble. There is no need of a means test.

Mr. KNOWLES: May I ask one other question about the memorandum to which reference has been made? The minister knows that I am keenly interested in the old age pensions regulations and everything relating thereto. I appreciate the fact that it was a memorandum prepared by his officials for the minister, so that he may not be in a position to make it public; but is there any chance of its being made available

to members either in its present form or in such revised form as it may be presented to the provincial governments?

Mr. ILSLEY: I do not think so.

475. Administration, National Housing Act and home improvement loans—further amount required, $100,000.

Mr. GRAYDON: There is a statutory item in connection with the national battlefields commission. Perhaps I should have asked this question when another minister was on his estimates, but I was wondering if the $75,000 covers any of the arrangements made at present in connection with battlefields either of the present war or of the last one.

Mr. ILSLEY: That has reference to Quebec, not even the last war.

Item agreed to.

HOUSE OF COMMONS

115. General administration—estimates of the Clerk, $448,660.

Mr. GRAYDON: On this item I wish to raise a question that I have raised before, of which I gave notice to His Honour the Speaker. On a previous occasion I brought to the attention of His Honour the Speaker the question of the uniforms of the protective staff. I think that has been rectified to some extent, although if one judges by the practical and physical results one still sees the same uniforms that one saw at the beginning. I realize that these things cannot be done overnight, but I believe there is justifiable criticism, if I may say so, of the length of time that has been taken to outfit these men in summer uniforms. Had we an up-to-date policy and one that is dealt with expeditiously these men should have their summer uniforms at least before the snow starts to fall around the building outside. I do not think it is good enough to say that the uniforms have been ordered; that there is difficulty with material, and so on, because if the proper prescience had been exercised in connection with it, surely there would have been no doubt that these uniforms would have been available by last April or May. Let us not forget that this is August and the men have now passed through the hottest period of the summer in their winter uniforms. However, I wish to say we appreciate the fact that they have been ordered. We are always thankful for small mercies. If the fact that the uniforms have been ordered does not cool off the protective staff it at least cools off the argument that one would normally wish to raise to a higher temperature than the temperature of the chamber at the moment.

But that is not what I rose to say. I rose to make some reference to the question of the protective service. I do not wish to make any reflections or any comparisons that may be odious, a course which seems to be very popular in some parts of the country although I do not know how far it extends. I have never seen much unpopularity in this chamber in regard to it, but in certain sections it does not seem to be very healthy or popular to say much about the other place. But whatever may be said with respect to that, I am going to venture a little into the realm of comparison to-night and indicate that I think the protective staff of the House of Commons and certain services of the House of Commons do not receive equal treatment with that of the senate. Putting it most charitably, if I may say so, I think the working period in the House of Commons and in its precincts is at least as heavy, as burdensome and as important as that of the other chamber. I do not think anyone, no matter how careful he may be of the amenities, will be able to criticize my rather charitable and, I think, quite kindly references to a subject in connection with which other comparisons might have been used quite properly and appropriately. I will go no farther than that at the moment.

There are some points, however, in which my information would lead me to believe this house does not fare so well as the other place. I am not suggesting that those who are employed there are deserving of less than they are receiving, but I merely make this comparison to indicate that if the employees of another place are worth the money they are receiving, then the staff of this house ought to be paid at least equally well. I am not going farther than that, because, after all, it would not be quite fair to do so and I do not want to be facetious in my references to the other house. I should like some information, however, as to why the law clerk of the Senate, for instance, receives more than the law clerk of the House of Commons. That is only one illustration which comes to my notice in connection with the payments that are made.

Getting down to the protective staff, the information I have is that in the Senate there are six constables, while in the House of Commons there are twenty-four. The salary for similar work in the Senate runs from $1,740 a year to $1,920, and in the House of Commons from $1,460 to $1,680. The hours per day per constable in the Senate are six, and in the House of Commons eight. The patrols in sections of the centre block per day are one by the Senate and six by the

House of Commons. No visitors are escorted through the buildings by the Senate constables; practically all of those who come to see these buildings are escorted by the House of Commons staff. The entrances policed in the Senate are one and in the House of Commons four. There are other points which might readily be brought in as well. My experience with the constabulary of the Senate and those connected with it leads me to pay them a compliment and a tribute.

Mr. RALSTON: How did you get over there?

Mr. GRAYDON: I saw my hon. friend inspecting the precincts of the Senate; I followed him, and in the course of my travels picked up a little information for myself. I do not want anything I have said to be taken as a reflection upon those who work in the other place; I think that would be unfair and quite unjustifiable, because I have found them as I found our own staff, not only courteous but rendering an excellent service in their own way, and I am quite sure that those connected with the constabulary in the other place would be the first to desire to see equality on our side of the building. That is the reason that prompts me to rise. As I understand it, the scale of pay for constables in the protective service of the House of Commons is on a lower standard than that of the Senate. Having that in mind, I should like an explanation from His Honour as to the inequalities that exist, and a statement on the whole situation. So far as the staffs in both parts of the building are concerned I think there should be some approach to equality as far as monetary returns are concerned. So that I am pointing out what would seem to be obvious difficulties which have arisen. On an occasion such as this I should have liked the opportunity to go into the matter a little further and give some additional information, but I believe the circumstances at the moment are such that perhaps this will do for this session, in the hope that it may be something of a tonic to His Honour and perhaps increase his appetite for doing something more to bring about equality for the benefit of those on our side of the building.

Mr. SPEAKER: Perhaps first I should deal with the remarks of the leader of the opposition in regard to uniforms. For the last three months we have been endeavouring to obtain summer uniforms for the members of the protective staff. I have had a great deal of sympathy for them during these hot days, when I have been wearing my gown and vest and have seen them in somewhat similar circumstances. The difficulty in the first instance was to get the cloth. Priority had to be obtained; and although the cloth was ordered we found we could not get it. Finally we were able to get the cloth and then the difficulty was to find tailors to make up the uniforms. After having got in contact with three different tailors, who promised to make the suits, we found that they could not do so, and ultimately we had to place the order in the hands of one tailor. I can tell the leader of the opposition that I have inquired constantly when the uniforms would be ready, and the chief of the protective staff tells me he has been telephoning every day in order that the men may be properly clad for this warm weather.

With regard to the staff of the Senate and the House of Commons, my information is a little different from that of the leader of the opposition. In the Senate there are four senior constables who receive from $1,740 to $1,920 per annum. In addition, there are two other constables, one a full-time temporary who receives $5 a day and one borrowed from the messenger service as a war-time measure who receives $4.50 a day during the session and $4 a day during the recess. On the protective staff of the House of Commons there is an assistant chief at $2,040 per annum; four sergeants, who would correspond to the senior constables in the Senate and who are paid at the same rate; in addition, ten permanent constables who receive from $1,500 to $1,680 per annum, and, in addition, fourteen men employed continuously at rates of $4 and $4.50 a day. There is also one temporary who was taken on for the session at the rate of $4 a day. In the Senate six men are employed doing protective work; in the House of Commons twenty-six are employed in the same work and receiving approximately the same rates of pay.

What the leader of the opposition stated in regard to the duties of the protective staff of the House of Commons as compared with the protective staff of the Senate is perfectly true. There are onerous obligations upon the members of the protective staff of this house. But the leader of the opposition will realize that of himself the Speaker of the House of Commons cannot apply the remedy, or he would have done so long ago. However, I am glad indeed to note the statement made by the leader of the opposition and I will convey it to the civil service commission together with my request that a survey be made in regard to the officials of the House of Commons and of the Senate, in order that we may remedy whatever there may be in the way of injustice to some of our staff. It is

only within the last two or three days that I have heard any complaints with regard to the rate of pay received by the members of the protective staff, and I have not been in a position to judge as to the merits of those complaints in comparison with the members of a similar force. I think I can say to the leader of the opposition, however, that I should very much dislike to find anything in the way of injustice to our own staff with regard to the pay they receive and the duties they perform, and I should be sorry indeed to find that the officers of the House of Commons were discriminated against in comparison with those of the Senate. After all, they are part of the same institution, and the same rate of pay between our staff and the staff of the Senate should prevail. I am obliged to the leader of the opposition for having brought this matter before the house, and I shall take all the steps necessary in order to see that rectification, if possible, is made as between rates of pay here and in the Senate.

Mr. GRAYDON: I wish to thank His Honour. I expected this courteous treatment, and that type of reply from the man who from day to day rules over us, who does it so very well and with such finesse. I should like to say to him that I think his move with respect to having a survey by the civil service commission would be the normal, the most practical and the best move. He will have my support in doing so. I think we all feel, as he does, that the officials and staff in the House of Commons do not wish to boast about being better than anybody else in the legislative field; but I think we must agree—and perhaps we shall have some support in this—that at least they are just as good. And if they are just as good they ought to be remunerated just as well.

Mr. BOUCHER: I hesitate to take further time, because my leader has explained the situation clearly. I, too, feel that our relationships with His Honour the Speaker have been very satisfactory, and I am sure he will look after this matter.

It seems to me, however, that his own statement illustrates one point, namely, that the Senate protective staff boasts of six members and has six senior officers or sergeants, whereas in the House of Commons there are twenty-four members and only four senior officers or sergeants. This illustrates the point I raised a little while ago in discussing the Civil Service Superannuation Act when I said that the government, as a model employer, should look carefully upon its classifications. I believe the illustration already given by His Honour to the committee shows what I have indicated, and if the matter is referred to the civil service commission for report and investigation they should look into classifications, as well as other matters referred to by the leader of the opposition.

Mr. KNOWLES: Mr. Chairman, I wish to express my appreciation of His Honour's statement that he will seek a survey of the whole situation brought to his attention by the leader of the opposition. I trust that when that complete survey is being made His Honour will see to it that the conditions of work and pay of the char staffs on both sides of this building will also be looked into.

There are one or two further matters I should like to mention under this item. First of all, I was glad to notice the report tabled in *Votes and Proceedings* of August 10 by His Honour the Speaker to the effect that the civil service commission had recommended to him an adjustment in the salaries of certain employees who come under the direction of Mr. Speaker or the Clerk of the House of Commons. It is always unwise to single out any person, because one could go on and mention all the rest of them. But I think I would like to single out the case of the Associate Editor of Debates and Reporter. I believe the incumbent of that office is Mr. Galbraith, and that all who are members of this House of Commons know of the heavy burdens connected with his work, along with the work of the others associated with him. We are glad to see that an increase has been recommended for him.

However, in my mind there are certain questions in connection with this matter. First, when will these increases become effective? I see no provision for such increases either in the main estimates or in the supplementary estimates. Perhaps when Mr. Speaker replies he might indicate that. I would hope that the adjustments for all these people would be made at an early date.

My next point is that it seems to me the time has come for a survey of rates of pay of all people employed as servants of this House of Commons. It bothers me a good deal to look into the details of the two estimates now before us, if I may group them together, namely the estimates of the Clerk and of the Sergeant at Arms, to find that we have people working for us for yearly salaries as low as $1,500, $1,440 and $1,320. Frankly, I do not know how a married man could live in Ottawa on those amounts. The sum of $1,500 is listed as the amount for the chief of the repair staff of the House of Commons. Also I am puzzled by the fact that in that case the amount is $120 less than was voted last year.

Our parliamentary doorkeepers, who render us a good deal of service here, are the ones who receive $1,440 and $1,320. How do they live in Ottawa on those amounts?

Then, the chief of pages receives only $1,560 a year. I was quite surprised to discover that these amounts were as low, and that they are the annual salaries for the work these people are doing.

Also in connection with the reporting branch, where the associate editor of debates and reporter is recommended for increase, I notice that the assistants in the *Hansard* office—I believe they are classified as principal clerks—also do very heavy work, and they do it the year round. They have not had any increase recommended, I am sorry to say. I hope they will be considered even yet.

I could go on with a great many other cases, but it does seem to me that the whole question of salaries we pay here should be worked out on a comprehensive basis. I welcome the adjustments which have been recommended for some people, but I feel the whole arrangement should be looked into more thoroughly, for we will all agree that things should be done properly on our own door-step.

I trust His Honour the Speaker will be able to say that the statement he has just made, to the effect that he would ask for a survey, may include everything I have asked for.

Mr. SPEAKER: As I have already said, I shall be glad to show the remarks of the leader of the opposition to the civil service commission, and I make the same promise to the hon. member for Winnipeg North Centre, namely, that his remarks will be seen by the commission.

Mr. KNOWLES: Would His Honour answer my question as to when the adjustments referred to in *Votes and Proceedings* for August 10 will come into effect?

Mr. SPEAKER: That is a matter which will have to be left until later. I cannot say definitely when that will take place. It is a matter which will have to be discussed by the government before it can be done.

Item agreed to.

494. To provide for the full sessional indemnity to members of the House of Commons—days lost through absence caused by illness, official public business, or order of the house, or on account of death during the present session—notwithstanding anything to the contrary in chapter 147 of the Revised Statutes, 1927, an act respecting the Senate and House of Commons, or any amendment thereto. Payments to be made as the treasury board may direct, $28,000.

Mr. HANSELL: It will be noted that we are asked to pass this item, notwithstanding anything to the contrary in chapter 147 of the Revised Statutes, 1927, an act respecting the Senate and the House of Commons. I do not quite understand why this stipulation is made. May I point out what I regard as a discrepancy? This item is based upon the fact that the old act allows a member of the House of Commons to be absent from the house for a period of fifteen days without losing any of his indemnity. If he is absent for more than fifteen days he loses $25 a day. Where the unfairness comes in is the fact that this applies to all members, when in fact all members are not equally situated. A member representing a constituency in Ontario or Quebec can go home over the week-end. He may be able to handle some of his business on Saturday and spend Saturday and Sunday with his family. He is able to return Monday without losing any time.

A member from western Canada or the maritimes cannot do that. If he goes home for any reason whatsoever the time spent in travelling must be considered. There are some members of the House of Commons who are known as T to T men, that is, Tuesday to Thursday men. They are able to leave on Thursday night and return on Tuesday and lose only two days. Of course, if they do that often enough they will exceed the fifteen days. The member who lives in the west or the extreme east cannot do that. We have been sitting in this session for over six months and one can imagine what that means to a member from Alberta or British Columbia or the maritimes who has not been able to go home very often without suffering the penalty of $25 a day.

There is another point in the act which I think is unfair. If an hon. member is sick he does not lose the $25 a day if he is within ten miles of Ottawa, but if a member happens to be out west or in the maritimes and becomes sick, that time is counted as absent time. The best place for a man to be when he is sick is at home. I happened to have had an experience just recently. I kept a record of the days I was absent and planned to be back here under the fifteen days. I was fighting an election campaign and with all the opponents I had, particularly my C.C.F. friends in Alberta—not these hon. gentlemen who are sitting here—and with all the advertising I had to read, it was no wonder that I took sick. The result was that I could not return to Ottawa when I expected and I was away for three extra days. Technically I should lose $75, and I cannot afford to.

The same illustration can be made applicable to many members of parliament. It

just is not fair and I think there should be some change in the act. I am in favour of this vote because, if it does not pass, I will lose $75 through no fault of my own. This House of Commons Act was written years ago in the horse and buggy days and it is due for revision. There are a lot of other things I should like to say with respect to the life of a member of parliament while in Ottawa, but time is getting late and I do not want to hold up the estimates. I am in favour of the item but I think that some consideration should be given to making this act more fair to all members of parliament.

Mr. MACKENZIE KING: Before this session is over, I feel I should say a word about certain difficulties I foresee in regard to the next general elections, whenever they may come. It is the difficulty of securing the best types of candidates. I have heard a great deal from all sides of the house about the difficulties which hon. members are experiencing in meeting their expenses when they are in the city because of the heavy taxation, and the difficulties they are meeting with generally because of the extent to which their practices and businesses have suffered on account of the time they are forced to spend away from home.

There has been a very full discussion in the house about treating the indemnity as something which should not be taxed. So far as this parliament is concerned I do not think the Minister of Finance would have been justified in adopting a course which he thought would not be justified or wise in regard to the indemnity. I cannot say whether I shall be in this House of Commons in another parliament, but if I am I will certainly be prepared to agree with hon. members who deem it advisable that in the interests of the membership of the House of Commons the indemnity should be regarded strictly as an indemnity and not as a salary and, therefore, not be liable to taxation.

I believe that the independence of parliament and the independence of the members of the House of Commons is something that we must seek to maintain at all costs. I regard the amount voted as an indemnity as something intended by parliament to help secure that independence. I have before me a copy of the debate in the British House of Commons on August 10, 1911, when a statement was made by the Prime Minister of that day that at the session following the general election he would arrange for members to be paid. I should like to quote what Mr. Lloyd George, who was chancellor of the exchequer at the time, had to say in reference thereto. I shall quote his words later, but in effect he said that he believed that the House of Commons should be as representative as possible of all classes in the community, not representative merely of certain classes. He said that the British House of Commons as then constituted was made up in a large part of those who came from the learned professions or who were wealthy; he felt that the house should be more broadly representative, that it should have members returned in larger numbers from the working classes, as they are sometimes termed, from the agricultural communities, that there should be as members more persons of talent and ability though in humble circumstances financially.

I feel strongly that at this time of all times we should seek to obtain the best possible representation in the House of Commons of Canada and have it broadened by having as many elements of the community represented as it is possible to have. The other evening I expressed the hope that, in a subsequent parliament, there would be not merely business and professional men, but members chosen from among those who are in the fighting forces to-day as well as a larger representation of labour, a larger rural representation and a larger representation of women, and representatives from no particular class but chosen because of their special gifts, talents and high character.

To make that possible in times like the present it will be necessary that those who are chosen as candidates shall feel that they will be in a position to exercise their duties in this House of Commons in a perfectly independent way, without fear and without favour. What was found in Britain when labour began to be represented in the house was that a string was tied to its representation; members came in as members of the Labour party, but they were bound in advance to support only certain measures and to refrain from supporting certain other measures. They were not free agents representing the country as a whole, or even their constituencies as a whole, but representing a class. Nothing could be worse than that we should have in this country a membership composed of those who represent classes, whatever those classes may be. A member of parliament represents the people of the nation at large, all classes. The danger is this, that unless there is an indemnity that is sufficiently large to ensure independence on the part of members we are going to have this House of Commons composed increasingly of those who are so independent in means of their own, or because of their associations with

powerful interests, that they will come to constitute, as compared with others, a very large section of the membership of the house. In other words, we shall have a privileged class here at a time when the world is doing the best it can—in perhaps the worst possible way—to get rid of a lot of privilege and to recognize that there is a certain equality in men regardless of the particular class to which they may belong, or their particular calling.

There is another danger, and that is that we shall have men elected to this House of Commons who, through the inability to secure a different type of candidate, would not be able to earn an income outside of parliament comparable with that which would be secured to them by an indemnity, or coming here, may I say, under obligation, some of them, to corporations, others to special interests, but not free agents.

I feel that that is a very dangerous thing for the independence of parliament. I look upon the payment made to members of parliament in the form of an indemnity, as I have said, as something to secure the independence of parliament and the independence of members of parliament, and if part of that is taken away in taxation, then the purpose for which the indemnity exists is to that extent defeated.

Mr. Lloyd George made the following statement:

> But even now, membership of this house is very largely confined to four classes, apart from the other classes I shall point out later on. Men of means who have got an unearned income, and barristers with their practice in the London courts are members.
>
> Then there are those in well-organized and well-established businesses who have efficient, and, what is even more important, accommodating partners. Then there is another class who are "something in the city."
>
> The demand of the democracy is really for a free choice of doctors. Instead of confining, as it were, those who were able to remedy their evils and cure them to a small class, they say, "We want an unlimited choice in picking out the men who will suit us best." It is the same argument we had last week. This demand can only be met in two ways. The first is by raising funds in connection with some great national agitation, or an agrarian agitation, or a labour agitation, which would enable members connected with the movement to be more or less adequately maintained during the time they are attending to the business of that movement. The second is by the organization of capital and labour, whose business is liable to be affected by legislation. These are the only two classes outside the four I have mentioned who offer any source of opening for democratic representation in the house, and both of them, in my opinion, are open to serious objection. One objection is that when the fervour of the agitation dies down, and when you come to humdrum parliamentary work, it is difficult to keep up the funds. Another objection is that I do not think it is desirable —and I agree here with my hon. friend the member for Leicester (Mr. Ramsay Macdonald) —that any man should come here to represent any organization except his own constituency, I do not care whether it is a trade union organization or any other organization.
>
> A man ought to be here to represent the general interests of his constituents, and it is only the necessities of the case which drive a man as an expedient, as the only alternative, as the only opening, to utilize the other method in order to come here to fight for particular interests, and I do not mean to say that I have not seen some of my hon. friends representing trade unions rather than the general interests of labour. That has been my view. But there is one thing in connection with the payment of members—it makes them not merely trade representatives, but representatives of constituents as a whole.

Then he makes this important statement which I think is correct:

> When we offer £400 a year—

This was away back in 1911.

> —as payment of members of parliament, it is not a recognition of the magnitude of the service, it is not a remuneration, it is not a recompense, it is not even a salary. It is just an allowance, and I think the minimum allowance, to enable men to come here, the men who would render incalculable service to the state, and who it is an incalculable loss to the state not to have here, but who cannot be here because their means do not allow it. It is purely an allowance to enable us to open the door to great and honourable public service to these men, for whom this country will be all the richer, all the greater, and all the stronger for the unknown vicissitudes which it has to face by having here to aid us by their counsel, by their courage and by their resource.

I have had some knowledge of this House of Commons for many years, and I wish to say that nothing causes me more anxiety at the moment than the risk which this country is running of losing from this House of Commons many of its present members at the next general election, not that they are going to be defeated, not that they would not be elected if they were to run again, but because they are unwilling again to become candidates and this only because they find that with the indemnity taxed along with the taxation on their incomes they cannot make ends meet; they cannot maintain their independence. I feel it my duty as a citizen of Canada, as a member of this House of Commons and as the leader of the government to say what I feel concerning the necessity of maintaining the independence of members, and how important it is to get into this House of Commons the best class of men and women constituencies can possibly secure as candidates, and to retain for the house what it has in the way of valuable experience on the part of members who have been here over a period of time. I say that

regardless of party. What I am saying is as true of members of the parties opposed to the government as it is true of members on the government side.

I have already said that so far as the indemnity of members of this present parliament is concerned I think we have all been only too glad during the period of the war to have been able to make whatever in the way of financial sacrifice we could, realizing that it is small or as nothing compared with the sacrifices that are being made by those who are fighting the battles of our country at the front. But we shall hope that the war will be over before another parliament assembles. There will be great problems to be faced, much greater than the people of this country begin to realize, by the parliaments of the future. The problems from now on are not going to be local or mainly domestic problems. They are going to be increasingly world problems, and Canada is going to have a very difficult time indeed in doing its part to help solve these problems. We shall require in parliament all the experience that we can have that is of value from the past. We shall need to have here the best representation that we can get of the men and women who are prepared to present themselves as candidates. And so, in the next parliament, should I continue to be a member of this House of Commons, I shall be glad to join with hon. members of the House of Commons who feel the same way in recommending to the government of the day, whether I am a member of it or should be sitting opposite, that the indemnity of four thousand dollars should be regarded as a payment made by the country to enable members of parliament to be free from pecuniary embarrassment and to be perfectly independent in the discharge of their duties here, and I will advocate that. If I should not be in parliament but spared to speak my mind, I shall be only too happy to support from without on this matter any administration that will recommend the exemption of the indemnity from taxation as a means of helping to maintain the independence of members and the independence of parliament itself in the next parliament.

SUPPLY—CONCURRENCE

Hon. J. L. ILSLEY (Minister of Finance) moved:

That the reports of the committee of supply made to the house on February 18; March 3, 6, 17; June 28, 30; July 14, 18, 20, 21, 24, 25, 28; August 3, 8, 9, 10, 11, 12, 14, less amounts voted in interim supply, be now received, read a second time and concurred in.

Motion agreed to.

WAYS AND MEANS

INTERIM SUPPLY

Hon. J. L. ILSLEY (Minister of Finance) moved that the house go into committee of ways and means.

Motion agreed to and the house went into committee, Mr. Golding in the chair.

Mr. ILSLEY moved:

Resolved, that towards making good the supply granted to His Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1945, the sums of $161,199,849.17 and $21,459,077.59 respectively be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolution reported and concurred in. Mr. Ilsley thereupon moved for leave to introduce Bill No. 186, for granting to His Majesty certain sums of money for the public service for the financial year ending the 31st March, 1945.

Motion agreed to, bill read the first and second times, considered in committee, reported, read the third time and passed.

DOMINION-PROVINCIAL CONFERENCE

CORRESPONDENCE BETWEEN PROVINCIAL PREMIERS AND DOMINION GOVERNMENT TABLED—STATEMENT OF PRIME MINISTER

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, with the consent of the house I should like to move that we revert to motions in order that I may table some correspondence related to the dominion-provincial conference and to make a statement in reference thereto.

Motion agreed to.

Mr. MACKENZIE KING: I beg leave to table correspondence that has taken place between premiers of provinces of Canada and the dominion government with respect to the dominion-provincial conference. Some of this correspondence was tabled, I believe, on March 31 and I am herewith tabling the remainder.

Before the house adjourns, I should like to make a statement regarding the proposed dominion-provincial conference.

It was our hope that the conference might be held about Easter, but this was rendered impossible by the sessions of the provincial legislatures, and our inability, therefore, to arrange a date that would be generally acceptable. The inability to fix a satisfactory date was increased by successive provincial elections in Saskatchewan, Quebec, Alberta and New Brunswick. The wisdom of not calling

the conference in advance of these elections has been made obvious by the fact that in two of the provinces where elections have been held, the governments have changed in consequence of the elections. The election in New Brunswick will not be over before the end of the present month. And, I might add, it has been publicly announced that the new government in Quebec will not take office until August 30. Without doubt the new government will wish to have time to prepare for a dominion-provincial conference. It is clear, therefore, that a conference could not be held suitably to all the provinces before October at the earliest.

It is desirable above all else that the conference when held should be a success. Canada cannot afford a repetition of what occurred at the last dominion-provincial conference. The whole purpose of the conference is to work out solutions of many difficult problems, which solutions will have to be implemented by the governments concerned.

It is obviously desirable that the conference should, if possible, be held between the governments that may be in office during the next few years, the governments that will be living together and will have to work together.

So far as the provinces are concerned, once the New Brunswick election is over, there will have been an election in six of the nine provinces since August of last year. In the remaining three, the elections were in 1941 and no further election is required by law in any of the three before 1946.

The date of the federal election is necessarily uncertain, but as I have repeatedly said, once the war is over, it may come at any time. It will not, however, be delayed on any account beyond the legal term of the present parliament. If we are to believe what we are told by our political opponents, it may be a C.C.F. government, or a Progressive-Conservative government, or some other government than the present one which will be in office after the general election. While I myself do not entertain any of these views, clearly all uncertainty should be removed as to the government which will have to carry out, on behalf of the dominion, the important decisions of the conference before those decisions themselves are reached. In no other way can there be a guarantee that the decisions of the conference will be effective.

There is, however, an additional reason why, if the conference itself is to be a success, it should be held only after a general election. What above all else is required to make the conference a success is a cooperative attitude on the part of all governments concerned. How far that attitude has thus far been in evidence may be judged from the correspondence which there has been since the conference itself was proposed.

The correspondence up to March 21 was tabled on March 31. To-night I have tabled the remainder of the correspondence to date. Perhaps the house will agree to have the entire correspondence printed as an addendum to the *Votes and Proceedings* of to-day.

Apart from the correspondence, which speaks for itself, I must draw the attention of hon. members to a statement made by the Premier of Ontario in a broadcast on the evening of July 21, a report of which was published on the following day. I quote from the Toronto *Globe and Mail* of July 22, 1944, a paragraph setting forth, within quotation marks, the statement which Mr. Drew made in his broadcast. It is as follows:

> My one ambition in the political field outside of Ontario is to see an end as soon as possible of the weak and incompetent government in power at Ottawa to-day, and to assist in every way I can to assure that John Bracken is the next Prime Minister of Canada.

Such being the declared aim of the Premier of Ontario, it must be apparent that any conference held before a federal election would have little or no hope of success, and would almost certainly prejudice the success of a subsequent conference.

Preparations for the dominion-provincial conference can and will be continued so that it will be possible to have the conference held immediately following a general election.

Mr. GRAYDON: May I suggest to the Prime Minister—and I do not like at the end of the session to inject anything that is not strictly harmonious—that I think what he has explained as the reason for not holding the dominion-provincial conference may properly be described as an excuse instead.

Mr. MACKENZIE KING: I am sorry my hon. friend has found it necessary to be facetious at the last moment of this part of the session; but may I assure him that the facts speak for themselves. I have carefully refrained from making any comment. I have allowed the record to stand, as I think it will, on its own.

Mr. GRAYDON: You could not have said much more with respect to the Premier of Ontario.

Mr. MACKENZIE KING: No; he said all that was necessary.

Mr. GRAYDON: So did you.

SUSPENSION OF SITTING

Right Hon. W. L. MACKENZIE KING (Prime Minister): I move that the house suspend its sitting until a message comes from the senate.

Motion agreed to.

Mr. SPEAKER: The sitting of the house is suspended until 12.15 a.m. We shall need a quorum after we get back from the senate. I think I should tell hon. members that the restaurant will not be open to-morrow.

At 12.05 a.m. the sitting was suspended until 12.15 a.m.

The house resumed at 12.15 a.m.

THE ROYAL ASSENT

A message was delivered by Major A. R. Thompson, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, His Honour, the deputy of His Excellency the Governor General, desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, the house went up to the Senate.

And having returned.

Mr. SPEAKER informed the house that the deputy of His Excellency the Governor General had been pleased to give in His Majesty's name the royal assent to the following bills:

An Act for the relief of James Russell Popham.

An Act for the relief of Norma Segal Katz.

An Act for the relief of Harold Almond Jelley.

An Act for the relief of Josephine Kurys Kulczycki.

An Act for the relief of Shirley Harte Harvey Payne.

An Act for the relief of Pearl Anneta Benn Russell.

An Act for the relief of Joseph Adélard Paul Bégin.

An Act for the relief of Eugène Charron.

An Act for the relief of Lillian Bessie Noall Salmon.

An Act for the relief of Joan Helen Gorham Glover.

An Act for the relief of Elsie Hollingsworth.

An Act for the relief of Louis Joseph Jules Laurencelle.

An Act for the relief of Freda Altman Scheien.

An Act for the relief of Ivan Walter Moore.

An Act to amend the War Exchange Conservation Act, 1940.

An Act to amend the Judges Act (Annuities).

An Act to amend the Dominion Succession Duty Act.

An Act to amend the Criminal Code.

An Act for the support of the prices of agricultural products during the transition from war to peace.

An Act to amend the Aeronautics Act.

An Act respecting a certain Tax Convention between Canada and the United States of America, signed at Ottawa, in the Dominion of Canada, on the eighth day of June, 1944.

An Act to amend the Special War Revenue Act.

An Act to amend the Civil Service Superannuation Act.

An Act to amend the Customs Tariff.

An Act for the support of the prices of fisheries products during the transition from war to peace.

An Act to provide for the insurance of veterans by the Dominion of Canada.

An Act to amend the Canadian Broadcasting Act, 1936.

An Act to change the name of the Discount & Loan Corporation of Canada to Personal Finance Company of Canada.

An Act to provide for family allowances.

An Act to incorporate the Export Credits Insurance Corporation and to promote the revival of trade by the provision of Dominion Government guarantees to encourage exports from Canada.

An Act to amend the Income War Tax Act.

An Act to amend the Excess Profits Tax Act, 1940.

An Act to incorporate Workers Benevolent Association of Canada.

An Act for the relief of Everett Roy Clow.

An Act for the relief of Elmore MacLean MacKay.

An Act for the relief of Ruth Usher Garson.

An Act for the relief of Albert Daniel Joseph Doherty.

An Act for the relief of Rosie Vogel Blatt.

An Act for the relief of William McKenzie White.

An Act for the relief of Zoe Irene McFarland Craig.

An Act for the relief of George Henry Olaf Rundle.

An Act for the relief of Ruby Violet Gainsford Moorhead.

An Act to promote the construction of new houses, the repair and modernization of existing houses, the improvement of housing and living conditions, and the expansion of employment in the post-war period.

An Act to encourage the provision of intermediate term and short term credit to farmers for the improvement and development of farms, and for the improvement of living conditions thereon.

An Act to incorporate the Industrial Development Bank.

An Act to amend the Canadian and British Insurance Companies Act, 1932.

An Act to provide for the payment of war service gratuities and for the grant of reestablishment credits to members of His Majesty's forces in respect of service during the present war.

An Act respecting banks and banking.

An Act to amend the Quebec Savings Banks Act.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1945.

On motion of Mr. Crerar the house adjourned at 12.35 a.m. until Wednesday, January 31, 1945, at three o'clock in the afternoon.

The following items were passed in committee of supply:

AUDITOR GENERAL'S REPORT

33. Salaries and expenses of office, $348,690.

DEPARTMENT OF EXTERNAL AFFAIRS

36. Departmental administration, $410,189.
37. Passport office, administration, $30,679.
38. Representation abroad—including salaries of high commissioners, ministers plenipotentiary, consuls, secretaries and staff, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments, $1,266,110.
39. To provide for hospitality in connection with visitors from abroad, $15,000.
40. Expense in connection with the negotiation of treaties, $5,000.
41. Grant to the League of Nations Society in Canada, $3,000.
42. Grant to the International Red Cross committee, $40,000.
43. Amount required to meet loss on exchange, $56,000.

Canada's Contributions to Maintenance of External Organizations

44. Expenses of the League of Nations for 1944, including secretariat, international labour organization and permanent court of international justice, $214,600.
45. Portion of expenditure of the imperial economic committee, $1,575.
46. Portion of expenses of international wheat council, $4,450.

DEPARTMENT OF FINANCE

47. Departmental administration, $581,751.
48. Bank inspection (inspector general of bank's office), $27,199.
49. Royal Canadian Mint, including the Dominion of Canada assay office, $535,131.

Housing Branch

50. Administration, National Housing Act and home improvement loans, $80,093.

51. To enable the Minister of Finance, subject to regulations approved by the governor in council which shall in general be similar to the relevant provisions of the Home Improvement Loans Guarantee Act, 1937, and the regulations made thereunder, to guarantee approved lending institutions against losses which they may sustain as a result of loans or advances made by them for the purpose of financing the conversion of existing houses into multiple family houses in order to increase the supply of housing accommodation in congested urban areas, provided that in no case shall the liability of the government of Canada in respect of guarantees given under this authority to any approved lending institutions exceed fifteen per cent of the aggregate amount of such loans made by the said approved lending institution, and provided further that the aggregate amount of such loans which may be guaranteed under this authority shall not exceed two million dollars, and provided further that any payments necessary to fulfil the guarantees given under this authority shall be paid out of any unappropriated moneys in the consolidated revenue fund, $1.

Old Age Pensions
(including Pensions to the Blind)

52. Old age pensions, including pensions to the blind, administration, $43,280.

Superannuation and Retirement Benefits

53. Superannuation and retirement acts, administration, $128,955.
54. Government's contribution to the superannuation fund, $2,300,000.
55. To provide for retiring allowances to former employees of the Department of Public Printing and Sationery, $1,110.

Public Debt Charges

Servicing of Public Debt—
56. Commission for payment of interest on public debt, services of fiscal agents, London, registrar's fees, etc., $222,300.

Subsidies and Special Compensation to Provinces

57. To enable the Minister of Finance, subject to an agreement to be entered into with each province, to guarantee the provincial liquor revenues of the provinces entering into an agreement, pursuant to the offer made by the Minister of Finance to the provincial premiers on March 2, 1943, whereby in consideration of the provinces raising retail prices for spirits by an amount at least sufficient to absorb the increase in excise duty of $2 per proof gallon, imposed under amendment to the Excise Act, chapter 9, Statutes of Canada, 1943, and an additional amount equivalent to $2 per proof gallon, the dominion guarantees for the duration of the wartime liquor control restrictions, the liquor revenues of each province on the basis of such revenues received during the 12 months ending June 30, 1942, provided that any payments necessary to fulfil the guarantees given under this authority shall be paid out of any unappropriated moneys in the consolidated revenue fund, $1.

Miscellaneous Grants and Contributions

58. Canadian General Council of the Boy Scouts, $9,000.
59. Dominion Council of the Girl Guides, $4,860.
60. Royal Astronomical Society, $1,620.
61. Royal Canadian Academy of Arts, $2,025.
62. Royal Society of Canada, $4,500.

Federal District Commission—
63. Maintenance and improvement of grounds adjoining government buildings, Ottawa, and improvements to the parkway system under the control of the federal district commission, $133,500.

General

64. Tariff board, including the dominion trade and industry commission—payments may be made notwithstanding anything in the Civil Service Act or regulations, $76,130.
65. To provide for the expenses of the comptroller of the treasury's office, $2,819,520.
66. Farmers' Creditors' Arrangement Act, 1943, and Municipal Improvements Assistance Act, 1938, administration, $229,110.
67. To provide, subject to the approval of the treasury board, for salaries, cost of living bonus, reclassifications and increases, $100,000.
68. Unforeseen expenses, expenditure thereof to be subject to the approval of the treasury board and a detailed statement to be laid before parliament within fifteen days of next session, $80,000.

Insurance Department

86. Departmental Administration, $176,060.
87. Expenses of work in the interests of fire prevention, $16,425.

Governor General and Lieutenant-Governors

85. Office of the secretary to the governor general, including allowance of $2,500 per annum to the secretary to the governor general, $102,723.

LEGISLATION

The Senate

The Speaker of the Senate—

111. Allowance in lieu of residence, $3,000.

Members of the Senate—

112. General administration, $219,980.

House of Commons

The Speaker of the House of Commons—

113. Allowance in lieu of residence, $3,000.

The Deputy Speaker of the House of Commons—

114. Allowance in lieu of apartments, $1,500.

115. General administration—estimates of the clerk, $488,660.

116. Estimates of the sergeant-at-arms, $307,627.

117. Subscriptions to publications of the Empire Parliamentary Association to be distributed to members of the House of Commons, $2,000.

118. To provide hereby, notwithstanding anything contained in the Consolidated Revenue and Audit Act or the provisions of the Senate and House of Commons Act respecting the independence of parliament, for payment out of the consolidated revenue fund to each member of the House of Commons appointed by the governor in council to be a parliamentary assistant (which appointment shall not render such member ineligible or disqualify him as a member of the House of Commons) to assist a minister of the crown in such manner and to such extent as the minister may determine and to represent his department in the House of Commons in the absence of the minister therefrom, a salary of four thousand dollars per annum and pro rata for any period less than a year, $40,000.

General

119. Printing of parliament, including salaries of staff of the joint distribution office, $70,000.

Library of Parliament

120. General administration, $84,453.

Pensions and Other Benefits

121. Pension to the unmarried sister of the late Colonel Harry Baker, M.P., $700.

DEPARTMENT OF MINES AND RESOURCES

122. Departmental administration, $152,565.

Mines and Geology Branch

123. Branch administration, $29,900.

Bureau of Mines—

124. Bureau of mines, administration, $22,890.

125. Mineral resources investigations, $426,170.

126. Explosives Act, $28,360.

Bureau of Geology and Topography—

127. Bureau of geology and topography, administration and miscellaneous services, $114,300.

128. Geological surveys, $314,100.

129. Topographical surveys, including expenses of the geographic board of Canada, $227,500.

130. Drafting and map reproduction, $108,700.

131. National museum of Canada, $46,900.

Lands, Parks and Forests Branch

132. Branch administration, $19,270.

Government of the Northwest Territories—

133. General administration, operation and maintenance of services, including Wood Buffalo park, $283,090.

134. Eastern Arctic expedition, $35,000.

Government of the Yukon Territory—

135. Administration, $57,000.

Dominion Forest Service—

136. General scientific, economic and administrative services, $116,270.

137. Forest experiment stations, $45,345.

138. Forest products laboratories, $147,010.

139. Grant to Canadian Forestry Association, $1,620.

Land Registry—

140. Land registry, seed grain collections, administration of ordnance, admiralty and public lands, $52,511.

National Parks Bureau—

141. National parks and historic sites services, $975,000.

142. Administration of Migratory Birds Convention Act, $48,000.

143. Forest and wild life conservation, $40,000.

144. Grant to John Thomas (Jack) Miner, $2,500.

Surveys and Engineering Branch

145. Branch administration, $22,930.

146. Dominion observatory, Ottawa, $102,490.

147. Dominion astrophysical observatory, Victoria, B.C., $26,875.

148. Dominion water and power bureau, including the administration of the Dominion Water Power and Irrigation Acts, $241,300.

149. Lake of the Woods control board, $8,950.

150. To provide for the expenses incurred under the agreement between the dominion, Ontario and Manitoba, confirmed by the Lac Seul Conservation Act, 1928, moneys expended to be largely reimbursed, $17,800.

151. To provide for acquiring flowage easements and discharging claims of owners of riparian lands in Ontario below the outlets of Lake of the Woods affected by regulation under the Lake of the Woods Control Board Act (revote), $500.

152. Engineering and construction, service, $95,811.

153. Geodetic service, $144,870.

154. To recoup the Temiskaming and Northern Ontario Railway commission in connection with their claim for injury to John Hedin, $240.

155. International boundary commission, $35,080.

Hydrographic and Map Service—

156. Hydrographic service, $395,286.

157. Legal surveys and map service, including grant of $350 to assist in printing the publication of the Canadian Institute of Surveying, $234,410.

158. To provide for the payment of fees of the board of examiners for dominion land surveyors, of the secretary and of the subexaminers, and for travelling expenses, stationery, printing, rent, etc. (the fees of F. H. Peters, J. E. R. Ross and Harry Parry, members of the board, and A. W. W. Cole, secretary, are to be paid out of this sum), $850.

Indian Affairs Branch

159. Branch administration, $60,183.

160. Indian agencies, $690,145.

Reserves and Trusts—

161. Administration, $50,800.

Medical—

162. Indian hospitals and general care of Indians, $1,593,980.

163. Grants to hospitals, $5,400.

Welfare and Training—

164. Welfare of Indians, $777,050.

165. Indian education, $682,253.

166. Grants to residential schools, $1,549,259.

167. Grants to agricultural exhibitions and Indian fairs, in the amounts detailed in the estimates, $4,725.
168. Grant to provide additional services to Indians of British Columbia, $100,000.

Immigration Branch

169. Administration of the Immigration Act and the Chinese Immigration Act, $169,958.
170. Field and inspectional service, Canada, $1,158,222.
171. Field and inspectional service, abroad, $83,387.

Pensions and Other Benefits

172. Mrs. Alice Morson Smith, $600.

Special

Indian Affairs Branch

173. Fur conservation, and development of native crafts, and to authorize, subject to the approval of the governor in council, the appointment of such extra temporary officers, clerks and employees as may be necessary for the purpose of this item, $75,000.

DEPARTMENT OF NATIONAL REVENUE

General

192. Amount to be paid to the Department of Justice to be disbursed by and accounted for to it for customs, excise, and income tax secret investigation services, $15,000.

DEPARTMENT OF PENSIONS AND NATIONAL HEALTH

195. Departmental administration, $161,172.

Pensions Branch

196. Pensions branch administration, $1,396,031.

Canadian Pension Commission—
197. Administration expenses, $586,219.
198. War veterans' allowance board, $169,771.

Rehabilitation Branch

199. Branch administration, $62,039.
200. Rehabilitation division, $83,622.
201. Veterans' welfare division, $210,299.

Direct Payments to Veterans and Dependents

202. European war pensions, $37,000,000.
203. War veterans' allowances, $6,500,000.
204. Unemployment assistance, $100,000.
205. Hospital and other allowances, $500,000.
206. Decoration awards, $20,000.
207. Widows' compassionate allowances to be paid under terms and conditions approved by the governor in council, $600,000.

Services to Veterans and Dependents

208. Care of patients, $4,987,142.
209. Veterans' bureau, $190,137.
210. Employers' liability compensation, $50,000.
211. Grant to Last Post fund, $85,000.
212. Grant to Canadian Legion, $9,000.

Health Branch

213. Health branch administration, $59,277.
214. Foods and drugs, $187,299.
215. Opium and narcotic drugs, $74,498.
216. Proprietary or patent medicines, $17,172.
217. Quarantine and leprosy, $186,651.
218. Laboratory of hygiene, $145,374.
219. Immigration medical inspection, $49,621.
220. Child and maternal hygiene, $45,381.
221. Public health engineering, $42,248.
222. Treatment of sick mariners, $330,907.
223. Industrial hygiene, $8,605.
224. Medical investigation division, $23,590.
225. Nutrition service, $38,585.

Combating Venereal Diseases—
226. Administration, $17,881.
227. Assistance to provinces for control of venereal diseases under regulations approved by the governor in council, $175,000.
228. Distribution of arsenicals under regulations approved by the governor in council, $50,000.
229. Grants to institutions assisting sailors, in the amounts detailed in the estimates, $2,600.

Miscellaneous Grants

Grant to the:—
230. Canadian Welfare Council, $8,100.
231. Canadian National Committee for Mental Hygiene, $10,000.
232. Health League of Canada, $5,000.
233. Canadian National Institute for the Blind, $18,000.
234. L'Association Canadienne Francaise des Aveugles, $4,050.
235. L'Institut Nazareth de Montreal, $4,050.
236. Montreal Association for the Blind, $4,050.
237. Canadian Tuberculosis Association, $20,250.
238. Victorian Order of Nurses, $13,100.
239. St. John Ambulance Association, $4,050.
240. Canadian Red Cross Society, $10,000.

Pensions and Other Benefits

241. Pensions payable to men on active service, Northwest Rebellion, 1885, and general pensions, $16,000.

Prime Minister's Office

249. Salaries of staff and cost of living bonus and other pay-list items, $52,765.

Privy Council Office

250. General administration, $85,402.

Soldier Settlement of Canada

336. Administration of soldier settlement, British family settlement, general land settlement and Veterans' Land Act, $1,440,290.
337. Payment to the government of the United Kingdom on account of losses under the 3,000 British family agreement of August 20, 1924, and the New Brunswick 500 British family agreements of August 4, 1927, and August 27, 1935, $15,000.

National Research Council

357. Salaries and other expenses of the National Research Council, $920,529.
358. Expanded research on the utilization of farm crops, $325,000.

Loans and Investments

Finance

412. To provide for advances under the National Housing Act, not exceeding with the advance made jointly by an approved lending institution three thousand two hundred dollars in respect of any one house, for the construction of houses where the Minister of Finance is satisfied that permanent houses can be constructed to relieve a serious housing shortage without threatening to create a post-war surplus, and that because of the types of building materials used and the use of building lots already serviced by local improvements, a saving in labour and essential war materials can be effected through the construction of permanent homes rather than of temporary wartime housing accommodation, and to pay losses in connection with the said Act, to an amount not exceeding (revote $850,000), $2,000,000.

Soldier Settlement of Canada

413. To provide for soldier land settlement and British family settlement net advances, $96,000.

414. To provide for purchase of land and improvements; cost of permanent improvements to be effected; removal of encumbrances; land development, provincial lands; farm machinery, stock and equipment under the Veterans' Land Act, $20,500,000.

DEPARTMENT OF AGRICULTURE

Science Service

457. Botany and plant pathology—further amount required, $40,000.

458. Agricultural chemistry—further amount required, $3,000.

459. Entomology—further amount required, $76,700.

460. Plant protection—further amount required, $6,800.

Experimental Farms Service

461. Central experimental farm — further amount required, $180,300.

462. Branch farms and stations and illustration stations—further amount required, $196,500.

Production Service

463. Plant products—seeds, feeds, fertilizers, insecticides and fungicides control—further amount required, $7,000.

464. Health of animals—to provide for payment of compensation to owners of animals affected with diseases coming under the operation of the Animal Contagious Diseases Act, which have died or have been slaughtered under circumstances unprovided for under the above act and regulations thereunder, in the amounts detailed in the estimates, $874.

Marketing Service

465. Agricultural economics—further amount required, $12,040.

466. Subsidies for cold storage warehouses under the Cold Storage Act, and grants, in the amounts detailed in the estimates—further amount required, $750,000.

Special

467. To provide for a preliminary survey of water flow and drainage conditions in the Lillooet valley, British Columbia, $10,000.

468. Agricultural research, special products, $200,000.

469. To provide assistance for the replacement of maple production equipment, $200,000.

470. To provide for administrative expenses, Agricultural Prices Support Act, 1944, $25,000.

DEPARTMENT OF EXTERNAL AFFAIRS

472. Departmental administration — further amount required, $29,500.

473. Representation abroad—including salaries of high commissioners, ministers plenipotentiary, consuls, secretaries and staff, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments—further amount required, $98,500.

International Joint Commission

474. To provide for preliminary studies and surveys of the Columbia river watershed, $50,000.

DEPARTMENT OF FINANCE

Housing Branch

475. Administration, National Housing Act and home improvement loans—further amount required, $100,000.

General

476. To provide for the expenses of the comptroller of the treasury's office—further amount required, $400,000.

477. To provide for refund of the contribution to the war donations fund of Eugene Le Page, this contribution in the form of a monthly deduction from his pension being now deemed to have been for the purpose of subscribing to victory bonds and war savings certificates, $245.

478. To provide on compassionate grounds for payment out of the consolidated revenue fund to Jane St. Clair Hurley of an annuity at the rate of $399 per year, to commence from April 1, 1944, and to continue thereafter during her lifetime, and to authorize reimbursement, as treasury board may direct, of the expenses incurred in her maintenance by members of her family, between March 22, 1930, and March 31, 1944, not to exceed $5,562.41, being balance payable at the rate of $399 per year, for the said period, $5,961.

DEPARTMENT OF FISHERIES

479. Departmental administration — further amount required, $7,935.

479a. Building fishways and clearing rivers—further amount required, $10,000.

480. Fisheries research board of Canada—further amount required, $88,000.

Special

481. To provide for the extension of educational work in cooperative producing and selling among fishermen—further amount required, $6,000.

482. To provide for improvement of shore faciilties for the handling of fisheries products by the erection of a pilot unit fish processing plant or plants, or otherwise, subject to the approval of the governor in council, $250,000.

483. To provide for administrative expenses of the fisheries prices support act, 1944, $20,000.

DEPARTMENT OF JUSTICE

Penitentiaries Branch

484. Operation and maintenance of penitentiaries, including administration, construction, purchase of land, supplies, equipment and live stock; maintenance, discharge and transfer of convicts; compensation to discharged convicts permanently disabled while in penitentiaries—further amount required, $64,000.

DEPARTMENT OF LABOUR

485. Departmental administration — further amount required, $66,400.

486. Annuities Act—further amount required, $50,000.

487. Vocational Training Coordination Act—dominion contribution toward apprenticeship training under agreements with the provinces, $250,000.

488. International labour conference, $20,000.

LEGISLATION

The Senate

489. General administration—further amount required, $6,800.

490. To provide for the payment of the full sessional indemnity for the session of 1944 to members of the Senate for days lost through absence caused by public business, by illness, or on account of death. Payments to be made as the treasury board may direct, $24,500.

491. To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment to each member of the Senate who attended the first part of the present session which commenced on January 27, 1944, and ended on March 31, 1944, of an amount representing the actual transportation and living expenses of such member while on the journey between Ottawa and his place of residence, after the Easter adjournment of parliament on March 31, 1944, and on the return journey from his place of residence to Ottawa at the end of the recess which commenced on that date, or, in case any such member did not return to his place of residence during the said recess, an amount equivalent to what would have been his travelling expenses if he had returned to his place of residence during the said recess, $3,500.

House of Commons

492. General administration—estimates of the Clerk—further amount required, $8,000.

493. Estimates of the Sergeant-at-Arms—further amount required, $14,000.

494. To provide for the full sessional indemnity to members of the House of Commons—days lost through absence caused by illness, official public business, or order of the house, or on account of death during the present session—notwithstanding anything to the contrary in chapter 147 of the Revised Statutes, 1927, an Act respecting the Senate and House of Commons, or any amendment thereto. Payments to be made as the treasury board may direct, $28,000.

495. To provide, notwithstanding anything contained in the Senate and House of Commons Act, for the payment to each member of the House of Commons who attended the first part of the present session which commenced on January 27, 1944, and ended on March 31, 1944, of an amount representing the actual transportation and living expenses of such member while on the journey between Ottawa and his place of residence after the Easter adjournment of parliament on March 31, 1944, and on the return journey from his place of residence to Ottawa at the end of the recess which commenced on that date, or, in case any such member did not return to his place of residence during the said recess, an amount equivalent to what would have been his travelling expenses if he had returned to his place of residence during the said recess, $7,500.

496. To provide for expenses of the special committee on war expenditures and to authorize living and travelling expense allowances to members during the adjournment of the present session at the rate of $12 per day for days spent for the purposes of the committee as certified by the chairman of the committee, and the payment and acceptance thereof notwithstanding anything to the contrary in chapter 147 of the Revised Statutes, 1927, an act respecting the Senate and House of Commons, or any amendment thereto, and to provide for witness fees and expenses and other necessary expenses, such payments to be made as the commissioners of internal economy of the House of Commons direct, and to authorize employment of such reporters, committee clerks and stenographers and at such rates of pay as may be approved by the treasury board, $25,000.

DEPARTMENT OF MINES AND RESOURCES

Mines and Geology Branch

497. Bureau of mines—to provide for the fabrication, erection and equipping of a hydrogenation plant in the fuel research laboratories estimated to cost $770,000—amount required for 1944-45, $100,000.

498. Bureau of geology and topography—topographical surveys, including expenses of the Geographic Board of Canada—further amount required, $25,000.

Lands, Parks and Forests Branch

499. Government of the Northwest Territories—general administration, operation and maintenance of services, including Wood buffalo park—further amount required, $172,270.

500. Government of the Yukon territory—administration—further amount required, $6,000.

501. Dominion forest service—forest products laboratories—further amount required, $30,000.

Surveys and Engineering Branch

502. To provide for the expenses incurred under the agreement between the dominion, Ontario and Manitoba confirmed by the Lac Seul Conservation Act, 1928, moneys expended to be largely reimbursed—further amount required, $2,839.20.

Hydrographic and Map Service—

503. Hydrographic service—to provide for the repair and renovation of hydrographic steamer *Wm. J. Stewart*, $210,000.

Indian Affairs Branch

504. Indian agencies—further amount required, $66,800.

505. Reserves and trusts—administration—further amount required, $17,500.

506. Medical—Indian hospitals and general care of Indians—further amount required, $235,400.

507. Welfare and training—Indian education—further amount required, $7,000.

Immigration Branch

508. Administration of the Immigration Act and the Chinese Immigration Act—further amount required, $12,385.

509. Field and inspectional service—Canada—further amount required, $20,400.

510. Field and inspectional service—abroad—further amount required, $12,620.

National Health and Welfare

511. Departmental administration, including expenses incidental to organization, $1,000,000.

DEPARTMENT OF PENSIONS AND NATIONAL HEALTH

512. Departmental administration — further amount required, $31,112.

Pensions Branch

513. Pensions branch administration—further amount required, $359,721.
514. Canadian pension commission, administration expenses — further amount required, $202,536.
515. War veterans' allowance board—further amount required, $8,755.

Rehabilitation Branch

516. Branch administration—further amount required, $72,525.
517. Rehabilitation division—further amount required, $99,761.
518. Veterans' welfare division — further amount required, $172,372.

Direct Payments to Veterans and Dependents

519. European war pensions—further amount required, $1,000,000.
520. War veterans' allowances — further amount required, $2,150,000.
521. Hospital and other allowances—further amount required, $150,000.
522. Decoration awards—further amount required, $30,000.
523. Widows' compassionate allowances to be paid under terms and conditions approved by the governor in council—further amount required, $100,000.
524. To provide hereby, notwithstanding anything contained in the Consolidated Revenue and Audit Act, or in any other statute or law, for the payment out of the consolidated revenue fund of compassionate allowances awarded by the war veterans' allowance board to orphaned dependent children of the veterans of the great war 1914-18 and of the South African war, who are in necessitous circumstances, and not otherwise provided for; at such rates (not exceeding, however, $365 per annum in the case of a single child and $730 per annum in the case of two or more children) and in such circumstances and upon such terms as may be prescribed by the governor in council, $5,000.

Services to Veterans and Dependents

525. Care of patients—further amount required, $1,891,916.
526. Veterans' bureau—further amount required, $30,060.
527. Employers' liability compensation — further amount required, $25,000.

Health Branch

528. Health branch administration—further amount required, $989.
529. Food and drugs—further amount required, $1,961.
530. Opium and narcotic drugs—further amount required, $459.
531. Laboratory of hygiene—further amount required, $13,678.
532. Child and maternal hygiene—further amount required, $14,000.
533. Public health engineering—further amount required, $1,104.
534. Treatment of sick mariners—further amount required, $1,269.
535. Medical investigation division—further amount required, $5,106.
536. Nutrition service—further amount required, $24,596.

Combating Veneral Diseases—

537. Administration — further amount required, $29,173.
538. Assistance to provinces for control of veneral diseases under regulations approved by the governor in council—further amount required, $25,000.

Prime Minister's Office

541. Salaries of staff and cost of living bonus and other pay-list items—further amount required, $2,000.

DEPARTMENT OF PUBLIC WORKS

Chief Architect's Branch

Construction, Repairs and Improvements of Public Buildings

543. London, England—purchase of Royal College of Physicians building, $900,000.

Nova Scotia—

544. Canso public building—reconstruction, $48,000.
Halifax federal building—caulking and pointing masonry and repairs to roof, $21,000.
Halifax customs building—alterations and elevator, $15,000.
Sydney public building—improvements, alterations and repairs, $10,000.

Maritime Provinces Generally—

545. Dominion public buildings—improvements and repairs—further amount required, $10,000.

Quebec—

546. Dominion public buildings—improvements and repairs—further amount required, $50,000.
Gaspe public building—addition, renovation and retaining wall, $6,500.

Ontario—

547. Dominion public buildings—improvements and repair—further amount required, $50,000.
London public building—caulking and pointing masonry, $15,000.
Ottawa—hydrogenation laboratory for Department of Mines and Resources—further amount required, $25,000.
Ottawa—Central Experimental Farm—water tank and pump house, etc., $60,000.
Ottawa—Printing Bureau—improvements to lighting, $22,000.

Manitoba—

548. Dominion public buildings—improvements and repairs—further amount required, $10,000.

Saskatchewan—

549. Dominion public buildings—improvements and repairs—further amount required, $5,000.

Alberta—

550. Dominion public buildings—improvements and repairs—further amount required, $10,000.
Edmonton—postal terminal, $150,000.

British Columbia—

551. Dominion public buildings—improvements and repairs—further amount required, $10,000.

Chief Engineer's Branch

Dredging

552. British Columbia and Yukon—further amount required, $20,000.

Maintenance and Operation of Graving Docks, Locks and Dams, etc.

553. Locks and dams—further amount required, $4,500.

Maintenance and Operation of Roads and Bridges

554. Burlington channel bridge—further amount required, $8,500.

555. Kingston, LaSalle causeway—further amount required, $12,000.

556. Generally—further amount required, $8,000.

Construction, Repairs and Improvements—Harbours and Rivers

Nova Scotia—

557. Canso—wharf repairs (revote $13,800), $18,000.

Dingwall—dredging, $86,500.

L'Archeveque—breakwater extension, $12,000.

Meteghan—breakwater repairs, $17,000.

Parrsboro beach—breakwater repairs and extension—further amount required, $8,500.

Spencer's island—wharf repairs, $25,600.

Digby—additional fire protection for piers and sheds, $10,800.

Harbours and rivers generally—for maintenance of services, no new works to be undertaken—further amount required, $94,000.

Prince Edward Island—

558. Georgetown — strengthening railway wharf, $8,000.

Red Head—wharf extension and breakwater, $6,000.

Harbours and rivers generally—for maintenance of services, no new works to be undertaken—further amount required, $19,000.

New Brunswick—

559. Harbours and rivers generally—for maintenance of services, no new works to be undertaken—further amount required, $50,000.

Quebec—

560. Manicouagan (Baie Comeau)—wharf improvements—further amount required, $11,000.

Montmagny—wharf reconstruction, $22,300.

Riviere aux Renards—wharf reconstruction—further amount required, $26,000.

Harbours and rivers generally—for maintenance of services, no new works to be undertaken—further amount required, $120,000.

Ontario—

561. Harbours and rivers generally—for maintenance of services, no new works to be undertaken—further amount required, $80,000.

Manitoba—

562. Harbours and rivers generally—for maintenance of services, no new works to be undertaken—further amount required, $20,000.

Saskatchewan, Alberta and Northwest Territories—

563. Yellowknife—improvements to navigation, $5,450.

Harbours and rivers generally, for maintenance of services, no new works to be undertaken—further amount required, $15,000.

British Columbia and Yukon—

564. New Masset — wharf reconstruction — further amount required, $11,000.

Port Alberni assembly wharf—construction of shed, $20,000.

Port Simpson—wharf repairs, $33,000.

Steveston—harbour improvements, $5,100.

Stewart—wharf repairs, $32,000.

Westview—harbour improvements, $95,000.

Harbours and rivers generally—for maintenance of services, no new works to be undertaken—further amount required, $100,000.

Telegraph Branch

565. Vancouver island—for payment of rental of telegraph line placements on Kwawkewlth Indian reserve, $3,766.

566. Vancouver island—installation of radiophone equipment at Kyuquot, $3,900.

DEPARTMENT OF RECONSTRUCTION

567. Departmental administration, including expenses incidental to organization, $1,500,000.

ROYAL CANADIAN MOUNTED POLICE

568. General administration—further amount required, $20,043.

569. Land services—arising out of the Royal Canadian Mounted Police Act, enforcement of federal statutes generally, and other incidental expenses—further amount required, $691,105.

Pensions and Other Benefits

570. To provide for pension allowance on compassionate grounds to the widow and child of the late Corporal L. P. Ryder at rates similar to those authorized by section 76 of the Royal Canadian Mounted Police Act, effective from January 21, 1943, $1,993.

DEPARTMENT OF TRADE AND COMMERCE

571. Departmental administration — further amount required, $2,000.

572. Wheat and grain division, $9,000.

573. Commercial intelligence service—further amount required, $38,000.

Dominion Bureau of Statistics

574. Statistics — further amount required, $30,000.

Mail Subsidies and Steamship Subventions

Eastern Local Services—

575. Chester and Tancook island, winter service between—further amount required, $400.

Ile-aux-Coudres and Les Eboulements, service between—further amount required, $1,600.

Mulgrave and Arichat, N.S., service between, $20,000.

Murray bay and North shore, winter service between—further amount required, $10,000.

Pictou, Souris and the Magdalen islands, service between—further amount required, $5,000.

Saint John, Westport and Yarmouth and other way ports, service between—further amount required, $3,500.

Sydney and Bay St. Lawrence, calling at way ports, service between—further amount required, $2,500.

Sydney and Whycocomagh, service between—further amount required, $2,000.

Total, $45,000.

Canada Grain Act

576. Canadian government elevators, including equipment—further amount required, $52,028.

National Research Council

577. Salaries and other expenses of the National Research Council—further amount required, $5,000.

TRANSPORT

578. Departmental administration — further amount required, $13,370.

Canals Service

579. Canals improvements—further amount required, $26,000.

Marine Service

580. Administration of floating equipment—further amount required, $2,025.

581. Marine service steamers, including icebreakers—maintenance, operation and repairs—further amount required, $82,600.

582. Construction, maintenance and supervision of Aids to Navigation, including salaries and allowances to lightkeepers—further amount required, $25,400.

583. Agencies—salaries and office expenses—further amount required, $10,865.

584. Administration of pilotage — further amount required, $5,000.

585. Life saving service, including rewards for saving life—further amount required, $2,500.

586. Steamship inspection and the carrying out of the provisions of the conventions for the safety of life at sea and load lines—further amount required, $10,000.

Government wharves—

587. To provide for payment to the consolidated revenue fund of sums amounting to $26,303.99 and $2,318.65 applied from time to time since August 12, 1939, in account, respectively, with the Imperialle Fuels Limited, Port Stanley, Ontario, and Canadian Dredge and Dock Company, Limited, Toronto, Ontario, for improvement to government wharf properties at Port Stanley and Barriefield, Ontario, under agreements whereby expenditures by these companies were applied against rentals accruing to or to accrue to the Department of Transport, $28,622.64.

Government Employees' Compensation

588. Administration of Government Employees' Compensation Act—further amount required, $1,971.

Air Service

(Control and supervision vested in the Minister of Munitions and Supply by order in council P.C. 3076 of 8th July, 1940.)

Civil Aviation Division

589. Air transport board—salaries and office expenses, $50,000.

590. Control of civil aviation, including the administration of the Aeronautics Act and regulations issued thereunder—further amount required, $6,000.

591. Airways and airports—construction and improvements, including lighting and radio facilities—(revote $82,000) Capital—further amount required, $383,450.

Airways and Airports—operation and maintenance—

592. Civil aviation services—further amount required, $66,795.

593. Radio aviation services—further amount required, $26,815.

Radio Division

594. Administration of the Radiotelegraph Act and regulations—further amount required, $12,875.

595. Radio direction finding stations, radio beacons and radiotelegraph stations, operation and maintenance—further amount required, $40,375.

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EARL C. YOUNG,
Editor of Debates, Room 324.

F. W. S. GALBRAITH,
Associate Editor, Room 325.

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HENRI MACKAY, *LL.L.*,
rédacteur des débats français,
chambre 514.